

**U.S. DEPARTMENT OF COMMERCE
ECONOMICS AND STATISTICS
ADMINISTRATION**

Economic and Statistical Analysis Budget

Budget Estimates

Fiscal Year 2017

As Presented to Congress

February 2016



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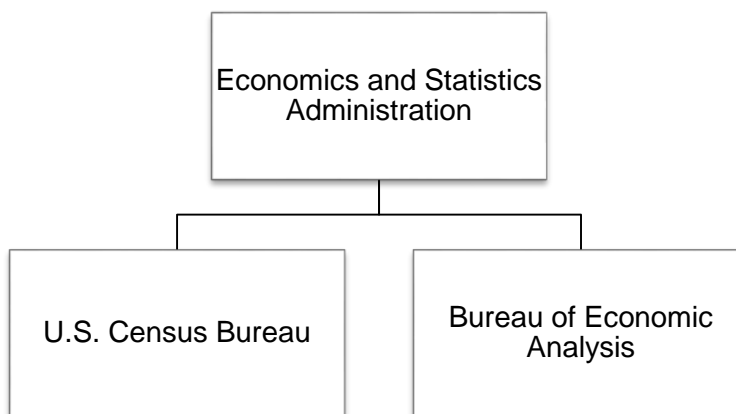
**Economic and Statistical Analysis Budget
Economics and Statistics Administration / Bureau of Economic Analysis
Budget Estimates, Fiscal Year 2017
Congressional Submission**

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DEPARTMENT OF COMMERCE
 Economic and Statistical Analysis Budget
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Organization Chart

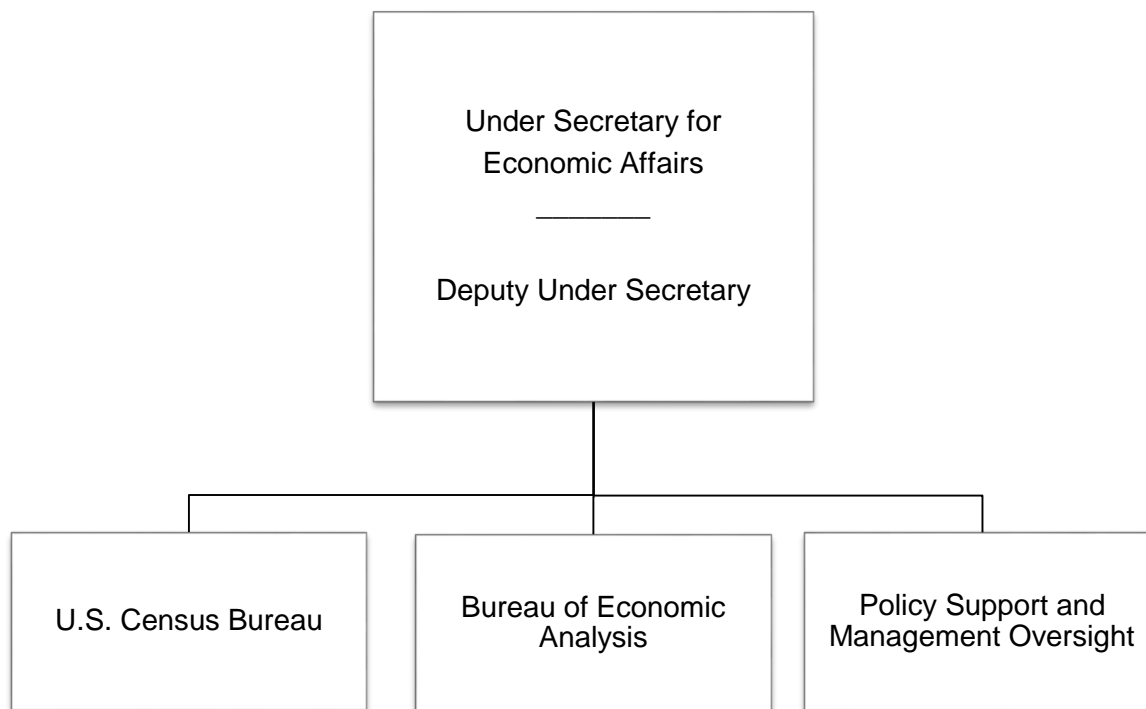


The Economics and Statistics Administration (ESA) includes Policy Support and Management Oversight, the Bureau of Economic Analysis (BEA) and the U.S. Census Bureau (Census). The Census budget is submitted separately.

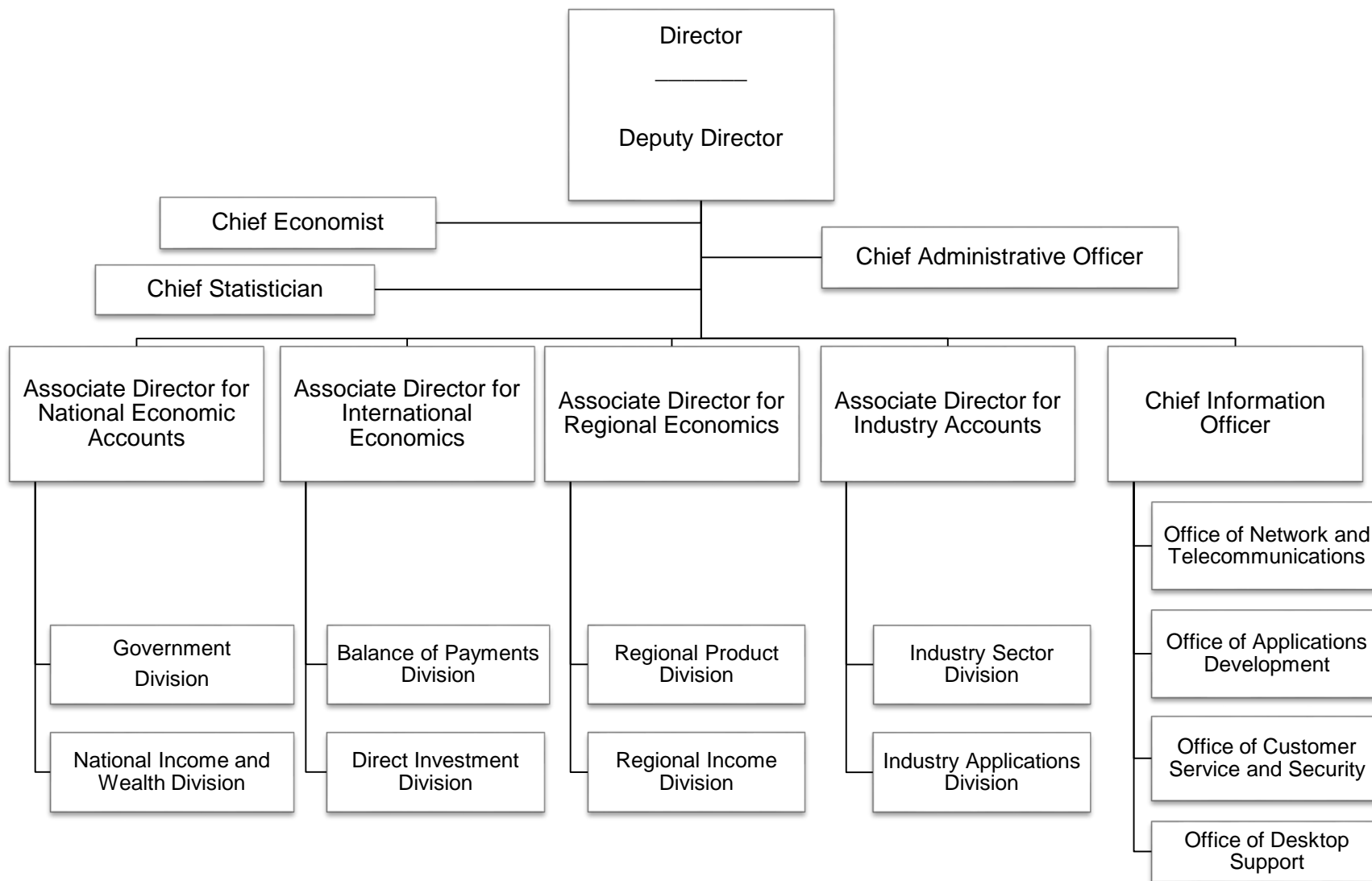
Policy Support and Management Oversight consists of the Office of the Under Secretary (OUS) for Economic Affairs and the Office of the Chief Economist (OCE). The Under Secretary for Economic Affairs provides leadership and critical oversight of Census and BEA. The policy support staff, located within the OCE, conducts economic research and policy analysis in direct support of the Secretary of Commerce and the Administration. ESA monitors and interprets economic developments, domestic fiscal and monetary policies, and analyzes economic conditions and policy initiatives of major trading partners. ESA's mission is to perform high-quality economic analysis and foster the missions of BEA and Census.

The Bureau of Economic Analysis (BEA), one of 13 principal Federal statistical agencies, promotes a better understanding of the U.S. economy by providing timely, relevant, and accurate economic accounts data in an objective and cost-effective manner. BEA's national, industry, regional, and international economic accounts present valuable information on key issues such as U.S. economic growth, regional economic development, inter-industry relationships, and the Nation's position in the world economy. Some of the widely used statistical measures produced by BEA include gross domestic product (GDP), personal income and outlays, corporate profits, GDP by state and by metropolitan area, balance of payments, and GDP by industry. These statistics are used by Federal, state, and local governments for budget development and projections; by the Federal Reserve for monetary policy; by the business sector for planning and investment; and by the American public to follow and understand the performance of the Nation's economy. BEA's strategic vision is to remain the world's most respected producer of economic accounts.

Economics and Statistics Administration



Bureau of Economic Analysis



DEPARTMENT OF COMMERCE
Economic and Statistical Analysis Budget
Economics and Statistics Administration / Bureau of Economic Analysis

Executive Summary

The United States is widely recognized as being the world's economic information leader. This is due, in large part, to the timely and accurate data provided by the Economics and Statistics Administration (ESA) through the Bureau of Economic Analysis (BEA) and the U.S. Census Bureau (Census). Our data provides an important foundation in this data age, and many of our customers leverage our data directly, while many others use our data from third-party providers. The economic data produced by BEA includes such popular series as new housing starts, retail sales, foreign trade, and our most comprehensive measure of our nation's economic activity, Gross Domestic Product (GDP). These data are essential to decision making by the President, Congress, American business leaders, and participants in the world's financial markets.

| | |
|---|----------------|
| FY 2016 Enacted | 109,000 |
| Inflationary Adjustments | 2,552 |
| FY 2017 Base Request | 111,552 |
| Completion of the GSA required relocation | -1,763 |
| Regional Economic Dashboard | 2,995 |
| Accelerating and Improving the Quality of Economic Indicators | 1,859 |
| FY 2017 request | 114,643 |

The Bureau of Economic Analysis, although a relatively small agency, produces some of the most closely watched national economic statistics that directly affect decisions made by policy makers, business leaders, and the American public.

For FY 2017, ESA/BEA is submitting a budget at a level that is sufficient to preserve the timeliness, relevance, and accuracy of the nation's economic accounts. The \$2.6 million in **Inflationary Adjustments** will fund the estimated 2017 Federal pay raise of 1.6 percent, the full year costs of the new positions financed for part of FY 2016, and will provide for inflationary increases for non-labor activities, including service contracts, utilities, and rent.

The collaborative initiative proposed in this budget is responsive to customer needs for data that is timelier, more accurate, and more granular. By accelerating economic data releases we will increase the accuracy/quality of our economic data and provide information sooner to our customers. Better regional data will address a consistently growing demand for local information.

Initiative Requests:

Regional Economic Dashboard (\$3.0 million): The inability to understand the impact of The Great Recession and its recovery at a geographically granular level highlights the critical need for regional economic data that are richer in detail, particularly at the local area level. Currently available state and metropolitan area statistics are good for many purposes but still lack the level of detail needed to target resources to specific locations to maximize economic benefit and speed development. America's six million businesses, 90,000 governments and 123 million households depend on this data to inform a broad range of decisions. For decision makers, new data at the county level will give them new tools to evaluate economic conditions at the most local level to aid in determining where, when and for how long to provide assistance. Regional economic data are an essential tool for local governments competing for foreign direct investment. Businesses need this information to identify well-developed markets or the particular skills needed for their operations. Households may consider relocating to areas with high demand for their job skills or lower costs of living. More detailed regional statistics will connect business with those households and encourage growth and will give decisions makers at all levels in government the tools to better target and monitor the allocation of scarce resources and assistance. To address these issues, BEA proposes to develop a new Regional Economic Dashboard featuring county-level measurements of GDP. In FY 2017 BEA will expand the scope of geographic detail in data illustrating economic growth, and provide the new detailed information in an innovative and interactive format that is straightforward for users to manipulate, interpret, and incorporate into their decision-making processes. This initiative proposes to improve services to governments, businesses, and households by creating a new Regional Economic Dashboard featuring an array of new and improved local area statistics.

Accelerating and Improving the Quality of Economic Indicators (\$1.9 million): Addressing measurement challenges in the post-recovery era continues to be a mission critical priority for both BEA and Census. Businesses and governments use our key economic indicators to guide policy and investment decisions. Census and BEA propose to seize additional opportunities to accelerate key indicators, expand coverage to better measure key sectors of the economy, and expand the trade reports. In doing so, this initiative will improve and accelerate the incorporation of key Census source data into GDP estimates, thereby reducing revisions; improving data value by removing the effects of seasonal trends from more industries; and expand coverage to better measure key sectors of the economy. The result will be a full suite of enhanced macroeconomic indicators, delivered to our end users more quickly and with more precision, with improved scope for the 21st century economy to drive decisions on investment, economic growth, and job creation.

Bureau of Economic Analysis: Economic Accounts

10,000 time series produced each month - Nearly 2 million other data produced quarterly and annually

| | |
|---|--|
| <p style="text-align: center;"><u>National Income and Product Accounts</u></p> <p>Gross Domestic Product (GDP) – The broadest measure of the U.S. economy. Components of GDP show how specific sectors of the economy are performing. GDP and the other components of the National Income and Product Accounts are key ingredients into Federal budget planning, monetary policy, and business planning.</p> <p>Personal Income and Outlays – Comprehensive and timely monthly statistics on all income received by persons in the United States, the money they spend on goods and services, and the income they save.</p> <p>Corporate Profits – The only comprehensive, timely, and consistent statistics on corporate earnings. These statistics are an important baseline for businesses and individuals in judging corporate earnings.</p> <p>Fixed Assets – Comprehensive statistics on U.S. wealth including capital stocks, consumer durable goods, and depreciation. These statistics are crucial in the analysis of the effect of wealth on consumer spending, investment, and economic growth.</p> | <p style="text-align: center;"><u>International Accounts</u></p> <p>Balance of Payments – The International Transactions Accounts are a quarterly and annual statistical summary of transactions between U.S. and foreign residents, including, for example, transactions in goods and services, debt forgiveness, and transactions in U.S.-owned assets abroad and foreign-owned assets in the United States.</p> <p>U.S. International Trade in Goods and Services – Monthly estimates of U.S. imports and exports of goods and services.</p> <p>International Investment Position – The only comprehensive comparison of the value of U.S.-owned assets abroad and the value of foreign-owned assets in the United States. These quarterly and annual statistics facilitate analysis of the economic effects of international lending and investment on the U.S. economy.</p> <p>Activities of Multinational Enterprises – These data describe the financial structure and operations of U.S. multinational enterprises (MNEs) and of U.S. affiliates of foreign MNEs. The data are used to analyze the characteristics and performance of MNEs and to assess their impact on the U.S. and foreign host economies.</p> |
| <p style="text-align: center;"><u>Industry Accounts</u></p> <p>Annual Industry Accounts – These accounts are a set of integrated statistics that include the GDP-by-industry and the annual input-output accounts. These accounts provide detailed information on the changing structure of the U.S. economy, including the annual contributions of private industries and government to the Nation’s GDP and the annual flows of goods and services used in the production processes of industries.</p> <p>Benchmark Input-Output Accounts – These accounts show how industries interact at detailed levels; specifically, how approximately 500 industries provide input to, and use output from, each other to produce gross domestic product. These accounts provide detailed information on the flows of goods and services that make up the production processes of industries.</p> <p>U.S. Travel and Tourism Accounts – This satellite account is the most comprehensive and timely picture of direct and indirect sales made in tourism-related industries and their role in the U.S. economy.</p> | <p style="text-align: center;"><u>Regional Accounts</u></p> <p>State and Local Personal Income – This measure reports income for state, county, metropolitan and micropolitan areas, and BEA economic areas, and is used along with GDP by State to allocate over \$226 billion in Medicaid and other grants to states. States use state personal income to project tax receipts and set spending caps.</p> <p>Gross Domestic Product (GDP) by State and by Metropolitan Area – GDP by State shows the portion of the Nation’s output produced in each state and the portion of each industry’s output by state; it is used to distribute Federal grants to states. GDP by Metropolitan Area statistics are useful for determining the overall size and growth of metropolitan economies.</p> <p>Regional Input-Output Multipliers – These statistics provide a measure of the local economic impacts of changes in government regulations, policies, or programs or in private-sector economic development plans. Multipliers have been used to study the effects of military base closings, firm relocation, sports facility construction, natural disasters, and terrorist attacks.</p> |

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Department of Commerce
 Economic and Statistical Analysis Budget
 Economics and Statistics Administration / Bureau of Economic Analysis
 Salaries and Expenses

SUMMARY OF RESOURCE REQUIREMENTS

(Dollar amounts in thousands)

| | | | | | | | Positions | FTE | Budget Authority | Direct Obligations | | |
|---|----------|-------------|---------|--------------|---------|-----------|-----------|---------------|------------------|----------------------------|--------|--|
| FY 2016 Enacted | | | | | | | 508 | 499 | 109,000 | 114,045 | | |
| less: Unobligated Balance, start of year | | | | | | | | | | (5,045) | | |
| plus: Inflationary Adjustments | | | | | | | 0 | 3 | 2,552 | 2,552 | | |
| FY 2017 Base | | | | | | | 508 | 502 | 111,552 | 111,552 | | |
| less: Completion of GSA Required Relocation | | | | | | | 0 | 0 | (1,763) | (1,763) | | |
| plus: Regional Economic Dashboard | | | | | | | 15 | 5 | 2,995 | 2,995 | | |
| plus: Accelerating and Improving the Quality of Economic Indicators | | | | | | | 16 | 5 | 1,859 | 1,859 | | |
| FY 2017 Estimate | | | | | | | 539 | 512 | 114,643 | 114,643 | | |
| Comparison by activity/subactivity | | 2015 Actual | | 2016 Enacted | | 2017 Base | | 2017 Estimate | | 2017 Increase / (Decrease) | | |
| | | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount | |
| Bureau of Economic Analysis | Pos/BA | 467 | 96,264 | 494 | 105,126 | 494 | 107,595 | 525 | 110,686 | 31 | 3,091 | |
| | FTE/Obl. | 457 | 96,629 | 486 | 107,589 | 489 | | 499 | | 10 | | |
| Policy support | Pos/BA | 14 | 3,736 | 14 | 3,874 | 14 | 3,957 | 14 | 3,957 | 0 | 0 | |
| | FTE/Obl. | 13 | 6,170 | 13 | 6,456 | 13 | | 13 | | 0 | | |
| TOTALS | Pos/BA | 481 | 100,000 | 508 | 109,000 | 508 | 111,552 | 539 | 114,643 | 31 | 3,091 | |
| | FTE/Obl. | 470 | 102,799 | 499 | 114,045 | 502 | | 512 | | 10 | | |
| Adjustments to Obligations | | | | | | | | | | | | |
| Recoveries and Refunds | | | (3,880) | | | | | | | | | |
| Unobligated Balance, start of year | | | (3,964) | | (5,045) | | | | | | | |
| Unobligated Balance, end of year | | | 5,045 | | | | | | | | | |
| Appropriation | | 470 | 100,000 | 499 | 109,000 | 502 | 111,552 | 512 | 114,643 | 10 | 3,091 | |

Department of Commerce
 Economic and Statistical Analysis Budget
 Economics and Statistics Administration / Bureau of Economic Analysis
 Salaries and Expenses
SUMMARY OF REIMBURSABLE OBLIGATIONS
 (Dollar amounts in thousands)

Exhibit 6

| Comparison by activity | | | 2015 Actual | | 2016 Enacted | | 2017 Base | | 2017 Estimate | | 2017 Increase / (Decrease) | |
|---|----------|----|----------------|--------|-----------------|--------|--------------|--------|------------------|--------|-------------------------------|--------|
| | | | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount |
| <u>Reimbursable projects</u> | | | | | | | | | | | | |
| Bureau of Economic Analysis | Pos/BA | 10 | 2,101 | 10 | 3,547 | 10 | 2,833 | 10 | 2,833 | 0 | 0 | |
| | FTE/Obl. | 10 | | 10 | | 10 | | 10 | | 0 | | |
| Policy support | Pos/BA | 23 | 4,039 | 23 | 4,855 | 23 | 4,881 | 23 | 4,881 | 0 | 0 | |
| | FTE/Obl. | 23 | | 23 | | 23 | | 23 | | 0 | | |
| Total, Reimbursable projects..... | Pos/BA | 33 | 6,140 | 33 | 8,402 | 33 | 7,714 | 33 | 7,714 | 0 | 0 | |
| | FTE/Obl. | 33 | | 33 | | 33 | | 33 | | 0 | | |
| <u>Subscription and fee sales</u> | | | | | | | | | | | | |
| Bureau of Economic Analysis | Pos/BA | 3 | 1,361 | 1 | 404 | 1 | 411 | 1 | 411 | 0 | 0 | |
| | FTE/Obl. | 3 | | 1 | | 1 | | 1 | | 0 | | |
| Policy support | Pos/BA | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| | FTE/Obl. | 0 | | 0 | | 0 | | 0 | | 0 | | |
| Total, Subscription and fee sales..... | Pos/BA | 3 | 1,361 | 1 | 404 | 1 | 411 | 1 | 411 | 0 | 0 | |
| | FTE/Obl. | 3 | | 1 | | 1 | | 1 | | 0 | | |
| Total, Reimbursable Obligations..... | Pos/BA | 36 | 7,501 | 34 | 8,806 | 34 | 8,125 | 34 | 8,125 | 0 | 0 | |
| | FTE/Obl. | 36 | | 34 | | 34 | | 34 | | 0 | | |

Department of Commerce
 Economic and Statistical Analysis Budget
 Economics and Statistics Administration / Bureau of Economic Analysis
 Salaries and Expenses
SUMMARY OF FINANCING
 (Dollar amounts in thousands)

Exhibit 7

| Comparison by activity | 2015 Actual | 2016 Enacted | 2017 Base | 2017 Estimate | 2017 Increase/(Decrease) |
|---|----------------|-----------------|----------------|------------------|-----------------------------|
| Total Obligations | 110,300 | 122,851 | 119,677 | 122,768 | 3,091 |
| Offsetting collections from: | | | | | |
| Federal Funds | (6,140) | (8,402) | (7,714) | (7,714) | 0 |
| Trust funds | 0 | 0 | 0 | 0 | 0 |
| Non-Federal sources | (1,361) | (404) | (411) | (411) | 0 |
| Recoveries and Refunds | (3,880) | 0 | 0 | 0 | 0 |
| Unobligated balance direct, start of year | (3,964) | (5,045) | 0 | 0 | 0 |
| Unobligated balance reimbursable, start of year | 0 | 0 | 0 | 0 | 0 |
| Unobligated balance transferred | 0 | 0 | 0 | 0 | 0 |
| Unobligated balance direct, end of year | 5,045 | 0 | 0 | 0 | 0 |
| Unobligated balance reimbursable, end of year | 0 | 0 | 0 | 0 | 0 |
| Unobligated balance expiring | 0 | 0 | 0 | 0 | 0 |
| Budget Authority | 100,000 | 109,000 | 111,552 | 114,643 | 3,091 |
| Financing: | | | | | |
| Unobligated balance rescission | 0 | 0 | 0 | 0 | 0 |
| Transferred from other accounts (-) | 0 | 0 | 0 | 0 | 0 |
| Transferred to other accounts (+) | 0 | 0 | 0 | 0 | 0 |
| Appropriation | 100,000 | 109,000 | 111,552 | 114,643 | 3,091 |

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Department of Commerce
Economic and Statistical Analysis Budget
Economics and Statistics Administration / Bureau of Economic Analysis
Salaries and Expenses
JUSTIFICATION OF ADJUSTMENTS TO BASE

| ADJUSTMENTS TO BASE (Dollar Amounts in Thousands) | FTE | Amount |
|---|--------------------|--------|
| <u>Annualization of FY 2016 pay raise</u> | | 212 |
| Full-year cost of the 2016 pay increase and related costs. A pay raise of 1.3% is effective for FY 2017 January 1, 2016. | | |
| Total cost of FY 2016 pay increase | 848,407 | |
| Less amount requested in FY 2016 | <u>(636,305)</u> | |
| Amount requested in FY 2017 for FY 2016 pay increase | 212,102 | |
| <u>FY 2017 pay raise and related costs</u> | | 804 |
| A general pay raise of 1.6% is assumed to be effective January 1, 2017. | | |
| Total cost in FY 2017 of pay increase | 1,071,603 | |
| Less 1/4 of the year not covered by pay raise | <u>(267,901)</u> | |
| Amount requested in FY 2017 for 2017 pay increase (3/4 of year) | 803,702 | |
| <u>Full-year cost in FY 2017 of positions financed for part-year in FY 2016</u> | | 1,058 |
| An increase of \$1,057,608 is required to fund the full-year cost in FY 2017 of positions financed for part-year in FY 2016. The computation follows: | | |
| Annual salary of new positions in FY 2016 | 3,979,824 | 34 |
| Plus FY 2016 pay raise of 1.60% | 63,677 | |
| Less 5% lapse | <u>(198,991)</u> | (2) |
| Full-year cost of personnel compensation | 3,844,510 | 32 |
| Less compensation included in the FY 2016 budget | <u>(3,053,907)</u> | (29) |
| Subtotal Personnel Compensation | 790,603 | 3 |
| Adjustment for FY 2017 pay raise (1.6% x .75) | <u>7,592</u> | |
| Amount required for personnel compensation | 798,195 | 3 |
| Benefits | <u>259,413</u> | |
| Total Adjustments to Base | 1,057,608 | 3 |
| <u>Changes in compensable days</u> | | (511) |
| The decreased cost of two fewer compensable days in FY 2017 compared to FY 2016 is calculated by dividing the FY 2016 estimates personnel compensation (\$53,381) and applicable benefits (\$13,536) by 262 compensable days and multiplying by 2 fewer compensable days. The cost decrease is \$510,817. | | |
| <u>Civil Service Retirement System (CSRS)</u> | | (105) |
| The estimated percentage of payroll for employees covered by CSRS will remain at 7.00% in FY 2017. The contribution rate will remain 7.0%. | | |
| FY 2017 (\$53,381,000 x 0.010 x .07) | 37,367 | |
| FY 2016 (\$53,381,000 x 0.038 x .07) | <u>141,993</u> | |
| Total adjustment to base | (104,626) | |
| <u>Federal Employees Retirement System (FERS)</u> | | 205 |
| The number of employees covered by FERS continues to rise as employees covered by CSRS leave and are replaced by employees covered by FERS. The estimated percentage of payroll for employees covered by FERS is expected to increase from 96.2% in FY 2016 to 99.0% in FY 2017. The contribution rate will remain the same at 13.70% | | |
| FY 2017 (\$53,381,000 x .990 x .137) | 7,240,065 | |
| FY 2016 (\$53,381,000 x .962 x .137) | <u>7,035,296</u> | |
| Total adjustment to base | 204,769 | |
| <u>Thrift Savings Plan (TSP)</u> | | 66 |
| The cost of agency contributions to the Thrift Savings Plan will rise as FERS participation increases. The contribution rate based on actual performance is 4.40%. | | |
| FY 2017 (\$53,381,000 x .990 x .044) | 2,325,276 | |
| FY 2016 (\$53,381,000 x .962 x .044) | <u>2,259,511</u> | |
| Total adjustment to base | 65,765 | |
| <u>Federal Insurance Contribution Act (FICA)</u> | | 110 |
| As the percentage of payroll covered by FERS rises, the cost of OASDI contributions will increase. In addition, the maximum salary subject to OASDI tax increased to \$126,200 in FY 2017. The OASDI tax rate will remain 6.2% in FY 2017. | | |

Department of Commerce
 Economic and Statistical Analysis Budget
 Economics and Statistics Administration / Bureau of Economic Analysis
 Salaries and Expenses
JUSTIFICATION OF ADJUSTMENTS TO BASE

| ADJUSTMENTS TO BASE (Dollar Amounts in Thousands) | FTE | Amount |
|---|-----------|--------------|
| <u>Full-time and part-time salaries</u> | | |
| FY 2017 (\$53,381,000 x .990 x .930 x .062) | 3,047,169 | |
| FY 2016 (\$53,381,000 x .962 x .923 x .062) | 2,938,699 | |
| | 108,470 | |
| <u>Other salaries</u> | | |
| FY 2017 (\$625,000 x .990 x .930 x .062) | 35,677 | |
| FY 2016 (\$625,000 x .962 x .923 x .062) | 34,407 | |
| | 1,270 | |
| <u>Health Insurance</u> | | 82 |
| Effective January 2017 the cost of the ESA's contribution to the Federal employees' health insurance premium increased by 2.44%. Applied against the FY 2016 estimate of \$3,342,768, the additional amount requested is \$81,564 | | |
| <u>Employee's Compensation Fund</u> | | (47) |
| The Employee's Compensation Fund is based on the actual billing from the Department of Labor. | | |
| <u>Rental payments to GSA</u> | | 253 |
| GSA rates are projected to increase 3.0% over the FY 2016 estimate of \$8,436,000 for currently occupied space. This results in an increase of \$253,080. | | |
| <u>GPO Printing</u> | | 1 |
| GPO has provided an estimated rate increase of 1.8%. This percentage was applied to the 2016 estimate of \$53,000 for an increase of \$954. | | |
| <u>National Archives & Records Administration</u> | | (23) |
| The National Archives and Records Administration (NARA) projects storage costs is estimated to decrease by 71.76% over the FY 2016 estimate of \$31,868 for a decrease of \$22,869. | | |
| <u>Working Capital Fund</u> | | 91 |
| Departmental Working Capital Fund is projected to increase 3.02% over the FY 2016 estimate of \$3,014,000 for an increase of \$91,023. | | |
| <u>Postage</u> | | 0 |
| Postage is projected to increase 1.8% over the FY 2016 estimate of \$5,000 for an increase of \$90. | | |
| <u>General Pricing Level Adjustment</u> | | |
| This request applies a 1.8% general pricing adjustment based on OMB economic assumptions for FY 2017 to object classes where the prices that the Government pays are established through the market system. Factors are applied to the following: | | |
| Travel / Transportation of things | | 4 |
| Communications, utilities and miscellaneous charges (Including HCHB utility adjustments) | | 13 |
| Other Services / Rental Payments to Others | | 310 |
| Supplies and materials | | 25 |
| Equipment | | 4 |
| Total, Adjustments to Base | 3 | 2,552 |

Department of Commerce
 Economic and Statistical Analysis Budget
 Economics and Statistics Administration / Bureau of Economic Analysis
 Salaries and Expenses
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS
 (Dollar amounts in thousands)

Exhibit 10

Activity: Bureau of Economic Analysis
 Subactivity: National Economic Accounts

| Comparison by line item | 2015 Actual | | 2016 Enacted | | 2017 Base | | 2017 Estimate | | 2017 (Increase) | |
|--|-------------|--------|--------------|--------|-----------|--------|---------------|--------|-----------------|--------|
| | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount |
| National Economic Accounts..... Pos/BA | 154 | 31,767 | 166 | 34,924 | 166 | 35,739 | 182 | 37,016 | 16 | 1,277 |
| FTE/Obl. | 151 | 31,888 | 163 | 35,737 | 163 | | 168 | | 5 | |
| Direct Obligations..... Pos/BA | 154 | 31,767 | 166 | 34,924 | 166 | 35,739 | 182 | 37,016 | 16 | 1,277 |
| FTE/Obl. | 151 | 31,888 | 163 | 35,737 | 163 | | 168 | | 5 | |

Activity: Bureau of Economic Analysis
 Subactivity: International Economic Accounts

| Comparison by line item | 2015 Actual | | 2016 Enacted | | 2017 Base | | 2017 Estimate | | 2017 (Decrease) | |
|---|-------------|--------|--------------|--------|-----------|--------|---------------|--------|-----------------|--------|
| | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount |
| International Economic Accounts. Pos/BA | 163 | 33,692 | 178 | 38,196 | 178 | 39,060 | 178 | 38,443 | - | (618) |
| FTE/Obl. | 160 | 33,820 | 175 | 39,058 | 178 | | 178 | | - | |
| Direct Obligations..... Pos/BA | 163 | 33,692 | 178 | 38,196 | 178 | 39,060 | 178 | 38,443 | - | (618) |
| FTE/Obl. | 160 | 33,820 | 175 | 39,058 | 178 | | 178 | | - | |

Department of Commerce
 Economic and Statistical Analysis Budget
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 Salaries and Expenses
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS
 (Dollar amounts in thousands)

Exhibit 10

Activity: Bureau of Economic Analysis
 Subactivity: Industry Economic Accounts

| Comparison by line item | | 2015 Actual | | 2016 Enacted | | 2017 Base | | 2017 Estimate | | 2017 (Decrease) | |
|--------------------------------|----------|-------------|--------|--------------|--------|-----------|--------|---------------|--------|-----------------|--------|
| | | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount |
| Industry Economic Accounts | Pos/BA | 61 | 12,514 | 61 | 13,002 | 61 | 13,323 | 61 | 13,094 | - | (229) |
| | FTE/Obl. | 59 | 12,562 | 60 | 13,323 | 61 | | 61 | | - | |
| Direct Obligations..... | Pos/BA | 61 | 12,514 | 61 | 13,002 | 61 | 13,323 | 61 | 13,094 | - | (229) |
| | FTE/Obl. | 59 | 12,562 | 60 | 13,323 | 61 | | 61 | | - | |

Activity: Bureau of Economic Analysis
 Subactivity: Regional Economic Accounts

| Comparison by line item | | 2015 Actual | | 2016 Enacted | | 2017 Base | | 2017 Estimate | | 2017 (Decrease) | |
|---------------------------------|----------|-------------|--------|--------------|--------|-----------|--------|---------------|--------|-----------------|--------|
| | | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount |
| Regional Economic Accounts..... | Pos/BA | 89 | 18,290 | 89 | 19,003 | 89 | 19,472 | 104 | 22,133 | 15 | 2,661 |
| | FTE/Obl. | 87 | 18,360 | 88 | 19,471 | 87 | | 92 | | 5 | |
| Direct Obligations..... | Pos/BA | 89 | 18,290 | 89 | 19,003 | 89 | 19,472 | 104 | 22,133 | 15 | 2,661 |
| | FTE/Obl. | 87 | 18,360 | 88 | 19,471 | 87 | | 92 | | 5 | |

Department of Commerce
 Economic and Statistical Analysis Budget
 Economics and Statistics Administration / Bureau of Economic Analysis
 Salaries and Expenses
PROGRAM AND PERFORMANCE: DIRECT OBLIGATIONS
 (Dollar amounts in thousands)

Exhibit 10

Activity: Policy Support
 Subactivity: Policy Support

| Comparison by line item | 2015 Actual | | 2016 Enacted | | 2017 Base | | 2017 Estimate | | 2017 (Decrease) | | |
|--------------------------------|-------------|--------|--------------|--------|-----------|--------|---------------|--------|-----------------|--------|---|
| | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount | Personnel | Amount | |
| Policy support..... | Pos/BA | 14 | 3,736 | 14 | 3,874 | 14 | 3,957 | 14 | 3,957 | - | - |
| | FTE/Obl. | 13 | 6,170 | 13 | 6,456 | 13 | | 13 | | - | - |
| Direct Obligations..... | Pos/BA | 14 | 3,736 | 14 | 3,874 | 14 | 3,957 | 14 | 3,957 | - | - |
| | FTE/Obl. | 13 | 6,170 | 13 | 6,456 | 13 | | 13 | | - | - |

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APPROPRIATION ACCOUNT: Salaries and Expenses, Economic and Statistical Analysis

The Economics and Statistics Administration (ESA) plays three key roles within the Department of Commerce (DOC), which are to provide timely economic analysis, disseminate national economic indicators, and serve as the administrator of the Department's premiere statistical programs. In this latter role, ESA works closely with the leadership at the Office of the Chief Economist (OCE) the Bureau of Economic Analysis (BEA), and the U.S. Census Bureau (Census) on high priority management, budget, employment, and risk management issues, integrating the work of these agencies with the priorities and requirements of the Department and other government entities. Generally, Census collects, BEA compiles, and OCE analyzes socio-economic data on our nation's economy, businesses, and individuals.

In FY 2017, ESA is supporting base statistical programs, and proposing two new initiatives to better meet customer expectations for timelier, more detailed economic statistics with expanded coverage and greater geographic granularity. These initiatives primarily advance the Department's **Data strategic goal** to improve government, business, and community decisions and knowledge by transforming Department data capabilities and supporting a data-enabled economy. BEA is collaborating with Census on one of these initiatives, which will be partially funded under each of BEA's and Census' appropriations.

PROGRAM BUDGET AND JUSTIFICATION: Economic Policy Support

For FY 2017, ESA requests \$3,956,862 for Economic Policy Support. ESA will continue to support base programs with a focus on efforts to transform the Department's data capabilities and support a data-enabled economy. ESA requests no program increases for Policy Support in FY 2017.

| | PROGRAM BUDGET PROFILE (Dollars in thousands) | | |
|--------------------------------------|--|---------|---------|
| Funding Requirements by Sub-Program: | FY 2015 | FY 2016 | FY 2017 |
| Economic Policy Support | 3,736 | 3,874 | 3,957 |
| Total Dollars: | 3,736 | 3,874 | 3,957 |
| Total FTEs: | 13 | 13 | 13 |

ESA's expert economists, statisticians, and analysts produce in-depth reports, fact sheets, and briefings on economic policy issues and current events. These tools are relied upon by DOC and White House policymakers, state and local governments, American businesses, and news

EXHIBIT 12 – 15

organizations around the world to inform economic policy and business decisions. The economic policy staff advises the Secretary, Deputy Secretary, Under Secretary, and other Government officials on matters related to economic developments, forecasts, and the development of options and positions relating to economic policy. The staff supports the Secretary's and Under Secretary's participation in White House policy councils, in similar Administration economic policy forums, and on the Board of the Pension Benefit Guaranty Corporation. The resources devoted to these efforts are shown in the functional table below under direct obligations.

The Under Secretary for Economic Affairs ensures that BEA and Census programs align with Departmental goals, and provides mission critical services to include management and administration guidance, budget and financial management coordination support and research on policy needs. The resources devoted to these efforts are shown in the functional table below under reimbursable obligations.

| <u>Functional Summary Table for Economic Policy Support - FY 17 Direct Obligations</u> | | | |
|--|-----|------------|-----------------|
| Dollars in thousands | | | |
| <u>Personnel/Non-Personnel</u> | | <u>FTE</u> | <u>Amount</u> |
| Direct Obligations (per Exhibit 5, and Exhibit 10) | | 13 | \$ 3,957 |
| Economist, Business and Industry Specialist, Social Science Administration, Information Technology, Management and Program | ... | 8 | \$ 1,338 |
| Budget, Financial Administration and Program | ... | 4 | \$ 1,010 |
| Public Affairs | ... | 1 | \$ 182 |
| Contractual Services | ... | 0 | \$ 3 |
| Rent, Communications and Utilities | ... | | \$ 878 |
| Other services | ... | | \$ 456 |
| Reimbursable Obligations (per Exhibit 6) | | 23 | \$ 4,881 |
| Economist, Business and Industry Specialist, Social Science Administration, Management and Program | ... | 10 | \$ 1,363 |
| Budget, Financial Administration and Program | ... | 9 | \$ 1,352 |
| Public Affairs | ... | 2 | \$ 403 |
| Contractual Services | ... | 1 | \$ 238 |
| Rent, Communications and Utilities | ... | | \$ 1,037 |
| Other services | ... | | \$ 487 |
| Total | | 36 | \$ 8,838 |

More information on ESA's mission and services are available at <http://www.commerce.gov/economics-and-statistics-administration>.

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SIGNIFICANT ADJUSTMENTS-TO-BASE (ATBs):

The ESA Policy Support activity's share of the adjustments to base in FY 2017 is \$83,000. The increases are attributed to the estimated pay raise of 1.6 percent as well as inflationary increases for non-labor activities, service contracts, utilities, rent, and the Department's Working Capital Fund.

| Budget Summary Table for Economic Policy Support | | |
|---|------------|---------------|
| Dollars in thousands | | |
| | <u>FTE</u> | <u>Amount</u> |
| FY 2016 President's Budget..... | 13 | \$3,874 |
| Adjustments to Base (Per Exhibit 9): | | |
| Annualization of FY 16 Pay Raise | | \$17 |
| FY 17 Pay Raise and Related Costs | | \$33 |
| Changes in Compensable Days | | (\$17) |
| Civil Service Retirement System (CSRS) | | \$0 |
| Federal Employees Retirement System (FERS) | | \$7 |
| Thrift Savings Plan (TSP) | | \$2 |
| Federal Insurance Contribution Act (FICA) | | \$4 |
| Health Insurance | | \$4 |
| Employee's Compensation Fund | | \$0 |
| Rental Payments to GSA | | \$9 |
| GPO Printing | | \$0 |
| National Archives & Records Administration | | \$0 |
| Working Capital Fund | | \$10 |
| Postage | | \$0 |
| General Pricing Level Adjustment | | <u>\$14</u> |
| Subtotal Adjustments to Base..... | 0 | \$83 |
| Total FY 2017 Base..... | 13 | \$3,957 |

PROGRAM CHANGE:

No Program Change

EXHIBIT 12 – 15

PROGRAM BUDGET AND JUSTIFICATION: Bureau of Economic Analysis (BEA)

For FY 2017, BEA requests \$110,686,218 to fund its four economic account sub-activities and fund two program increases.

| | PROGRAM BUDGET PROFILE (Dollars in thousands) | | |
|--|--|---------|---------|
| Funding Requirements by Sub-Program: | FY 2015 | FY 2016 | FY 2017 |
| National Economic Accounts | 31,767 | 34,796 | 37,016 |
| International Economic Accounts | 33,692 | 37,422 | 38,443 |
| Industry Economic Accounts | 12,514 | 13,369 | 13,094 |
| Regional Economic Accounts | 18,290 | 19,539 | 22,133 |
| Total Dollars: | 96,263 | 105,126 | 110,686 |
| Total FTEs: | 457 | 486 | 499 |

The Bureau of Economic Analysis is a principal Federal statistical agency promoting better understanding of the U.S. economy by providing timely, relevant, and accurate economic accounts data in an objective and cost-effective manner. BEA's national, industry, regional, and international economic accounts present valuable information on key issues such as U.S. economic growth, regional economic development, inter-industry relationships, and the Nation's position in the world economy. Some of the widely used statistical measures produced by BEA include gross domestic product (GDP), personal income and outlays, corporate profits, GDP by state and by metropolitan area, balance of payments, and GDP by industry. These statistics are used by Federal, state, and local governments for budget development and projections; by the Federal Reserve for monetary policy; by the business sector for planning and investment; and by the American public to follow and understand the performance of the Nation's economy. BEA's strategic vision is to remain the world's most respected producer of economic accounts.

The objective of BEA is to promote a better understanding of the U.S. economy by providing the timeliest, most relevant, and accurate economic accounts data in an objective and cost-effective manner.

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The following list describes BEA's four economic accounts and their products. BEA conducted a thorough review of all of its programs in FY 2013, and will continue to conduct these reviews in the future to ensure relevance and efficiency. The review determined that BEA's products support the core mission of the Agency and either feed into the development of GDP and other core accounts, are required by law, or are used to implement Federal programs.

- **National Economic Accounts:** GDP and related accounts are the basis for Federal budget projections and are the foundation of macroeconomic analysis;
- **International Economic Accounts:** Balance-of-payments data are required by the Bretton Woods Agreement and are critical to monetary, trade, investment, exchange rate, and financial policies. BEA's direct investment programs are also required by law and are critical to understanding the impact of U.S. and foreign multinational companies on the U.S. and world economies;
- **Regional Economic Accounts:** Regional data are used to allocate over \$350 billion in Federal funds and are the basis for virtually all states' spending and revenue forecasts; and,
- **Industry Economic Accounts:** Industry data are the basis for the infrastructure for the National Income and Product Accounts and many other key government statistics, such as the Bureau of Labor Statistics' Producer Price Index. They are also critical to industry and macroeconomic analyses.

Additional information on BEA and their products can be found at <http://www.commerce.gov/esa/bureau-economic-analysis>.

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| Functional Summary Table for BEA - FY 2017 | | | |
|--|------------|------------------|---------------|
| Dollars in thousands | | | |
| <u>Personnel/Non-Personnel (per Exhibit 10):</u> | <u>FTE</u> | <u>Positions</u> | <u>Amount</u> |
| National Economic Accounts | 168 | 182 | \$ 37,017 |
| Economist, Social Science ... | 100 | 105 | \$ 15,863 |
| Information Technology Specialist ... | 23 | 27 | \$ 3,656 |
| Financial Administration, Accounting, Budget ... | 21 | 25 | \$ 2,828 |
| General, Administrative, Clerical, and Office Services ... | 17 | 18 | \$ 2,495 |
| Mathematical Sciences ... | 5 | 5 | \$ 657 |
| Public Affairs, Writing, Information and Arts ... | 2 | 2 | \$ 310 |
| Contractual Services ... | | | \$ 7,197 |
| Rent, Communications, and Utilities ... | | | \$ 3,038 |
| Other services ... | | | \$ 974 |
| International Economic Accounts | 174 | 178 | \$ 38,443 |
| Economist, Social Science | 108 | 112 | \$ 16,473 |
| Information Technology Specialist | 21 | 22 | \$ 3,796 |
| Financial Administration, Accounting, Budget | 20 | 20 | \$ 2,937 |
| General, Administrative, Clerical, and Office Services | 17 | 17 | \$ 2,592 |
| Mathematical Sciences | 5 | 5 | \$ 683 |
| Public Affairs, Writing, Information and Arts | 2 | 2 | \$ 322 |
| Contractual Services | | | \$ 7,474 |
| Rent, Communications, and Utilities | | | \$ 3,154 |
| Other services | | | \$ 1,012 |
| Industry Economic Accounts | 61 | 61 | \$ 13,094 |
| Economist, Social Science | 39 | 39 | \$ 5,611 |
| Information Technology Specialist | 7 | 7 | \$ 1,293 |
| Financial Administration, Accounting, Budget | 7 | 7 | \$ 1,000 |
| General, Administrative, Clerical, and Office Services | 6 | 6 | \$ 883 |
| Mathematical Sciences | 1 | 1 | \$ 232 |
| Public Affairs, Writing, Information and Arts | 1 | 1 | \$ 109 |
| Contractual Services | | | \$ 2,546 |
| Rent, Communications, and Utilities | | | \$ 1,075 |
| Other services | | | \$ 344 |
| Regional Economic Accounts | 94 | 104 | \$ 22,133 |
| Economist, Social Science | 54 | 63 | \$ 9,727 |
| Information Technology Specialist | 13 | 16 | \$ 2,284 |
| Financial Administration, Accounting, Budget | 8 | 8 | \$ 1,628 |
| General, Administrative, Clerical, and Office Services | 9 | 9 | \$ 1,438 |
| Mathematical Sciences | 8 | 6 | \$ 378 |
| Public Affairs, Writing, Information and Arts | 2 | 2 | \$ 178 |
| Contractual Services | | | \$ 4,145 |
| Rent, Communications, and Utilities | | | \$ 1,750 |
| Other services | | | \$ 605 |
| Total | 497 | 525 | \$ 110,686 |

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SIGNIFICANT ADJUSTMENTS-TO-BASE (ATBs):

BEA's share of the adjustments to base in FY 2017 is \$2,469,000. The increase will fund the estimated 2017 Federal pay raise of 1.6 percent, and inflationary increases for non-labor activities, including service contracts, utilities, and rent.

| Budget Summary Table for Bureau of Economic Analysis | | |
|---|------------|------------------|
| Dollars in thousands | | |
| | <u>FTE</u> | <u>Amount</u> |
| FY 2016 President's Budget..... | 486 | \$105,126 |
| Adjustments to Base (Per Exhibit 9): | | |
| Annualization of FY 16 Pay Raise | | \$205 |
| FY 17 Pay Raise and Related Costs | | \$777 |
| Full-Year Cost in FY 17 of Positions Financed for Part-Year in FY 16 | 3 | \$1,039 |
| Changes in Compensable Days | | (\$494) |
| Civil Service Retirement System (CSRS) | | (\$105) |
| Federal Employees Retirement System (FERS) | | \$198 |
| Thrift Savings Plan (TSP) | | \$64 |
| Federal Insurance Contribution Act (FICA) | | \$106 |
| Health Insurance | | \$79 |
| Employee's Compensation Fund | | (\$47) |
| Rental Payments to GSA | | \$244 |
| GPO Printing | | \$1 |
| National Archives & Records Administration | | (\$23) |
| Working Capital Fund | | \$86 |
| Postage | | \$0 |
| General Pricing Level Adjustment | - | <u>\$339</u> |
| Subtotal Adjustments to Base..... | 3 | \$2,469 |
| Total FY 2017 Base..... | 489 | \$107,595 |
| Program Changes: | | |
| Program Increases..... | 10 | \$4,854 |
| Regional Economic Dashboard..... | 5 | \$2,995 |
| Accelerating and Improving the Quality of Economic Indicators... | 5 | \$1,859 |
| Program Decreases..... | 0 | (\$1,763) |
| Completion of GSA Required Relocation | 0 | (\$1,763) |
| Total FY 2017 OMB Request | 499 | \$110,686 |

EXHIBIT 12 – 15

PROGRAM CHANGE:

Completion of GSA Required Relocation and / or Renovation (-\$1.8 million/ 0 Positions)

The Department, in conjunction with OMB and GSA, decided to move BEA to the Suitland Federal Center (SFC) in Suitland, MD and co-locate them with the Census Bureau. The move to Suitland, MD reduced the one-time renovation estimate by approximately \$8 million. Therefore, in FY 2016 BEA only requested funding to pay for this one-time move to Suitland, MD and associated build-out costs. Since the relocation and/or renovation are one-time expenses, the \$1.8 million within FY 2016 is being removed from the FY 2017 request.

The move of the BEA to the SFC will provide a unique opportunity to improve Americans understanding of our ever-changing economy and society. Both agencies are committed to working collaboratively, focusing on what is best for our customers. Working collaboratively on implementing this shared vision can result in improved data programs and new products, more accessible and useful information for our customers, and a more rewarding work environment for our employees. The goal is to spur additional innovation, accelerate the adoption of best practices, and provide new research opportunities, and streamline administrative and infrastructure support. In an environment of constrained resources, both agencies will continue to look for opportunities to operate more efficiently, streamlining whenever possible to reduce costs so resources can be re-directed to more important improvement activities.

PROGRAM CHANGE FUNCTIONAL SUMMARY

(Dollars in Thousands)

Budget Program: Bureau of Economic Analysis
Sub-program: Bureau of Economic Analysis
Program Change: Completion of GSA Required Relocation

| Functional Summary Table for the Completion of the GSA requires relocation of BEA | | |
|--|------------|---------------|
| Dollars in thousands | | |
| <u>Positions/Other Costs</u> | <u>Pos</u> | <u>Amount</u> |
| GSA Reimbursable Services | 0 | \$ (1,763) |
| Total | 0 | \$ (1,763) |

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PROGRAM CHANGE:

Regional Economic Dashboard (\$2.995 million / 15 Positions)

The inability to understand the impact of the Great Recession and its recovery at a geographically granular level highlights the critical need for regional economic data that are richer in detail, particularly at the local area level. While the current suite of regional GDP and income statistics produced by the Bureau of Economic Analysis (BEA) provides insight into the differences in regional economic experiences, recent events have demonstrated the need to push further into this arena. America's six million businesses, 90,000 governments and 143 million households depend on this data to inform a broad range of decisions. The currently available state and metropolitan area statistics are good for many purposes but still lack the level of detail needed to target resources to specific locations to maximize economic benefit and speed development. Expanding the level of detail at the lowest levels of aggregation is the best next step. Often, the counties most in need of targeted investment fall outside of metropolitan areas and thus are only reflected in broader aggregates, such as GDP by state.

For decision makers at the federal, state and local, more detailed county-level data would benefit resource allocation. In times of economic distress, these new detailed statistics would help policy makers better target where, when and for how long to focus scarce resources. And in times of recovery, the new information on the health of county economies would help provide a mechanism for monitoring the success of governmental and technical assistance programs. Moreover, regional economic data is an essential tool for local governments competing for foreign direct investment, and improving that tool kit remains a top priority.

Similar concerns remain for businesses and households, as the currently published statistics are often not sufficiently detailed or packaged in a way that maximizes their usefulness in making investment and relocation decisions. Businesses need this information to identify well-developed markets for the particular skills needed for their operations. Households may consider relocating to areas with high demand for their job skills or lower costs of living. More detailed regional statistics will connect businesses with those households and encourage growth.

To address these issues, BEA requests an increase of \$3.0 million in FY 2017 for the development of a new Regional Economic Dashboard featuring county-level GDP and income data. In FY 2017, BEA will expand the scope of geographic detail in data illustrating economic growth, and provide the new detailed information in an innovative and interactive format that is straightforward for users to manipulate, interpret, and incorporate into their decision-making processes. This initiative proposes to improve services to businesses, households, and government by creating a new Regional Economic Dashboard featuring an array of new and improved local area statistics. New features on the dashboard will include a new GDP by County series, including selected industry detail by County; and more precise personal consumption expenditures (consumer spending) by state including new detail for select spending categories.

Specific components of this proposal include:

- Research and development of new county-level GDP estimation methodologies, including
 - Assessment of the appropriate levels of industry detail for publication
 - Improvement of statistical techniques to minimize data suppressions while preserving confidentiality

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- Development of a system that uses a variety of non-survey data collected from web sites and private sector sources to improve the quality of the new statistics
- Production and release of prototype county-level GDP statistics
- Development of a customizable data dissemination dashboard tool that allows users to define their own geographic areas based on county-level building blocks
- Development of a unified data delivery portal, allowing users to generate a customizable suite of statistics for a given, custom geographic area

These improvements will create valuable data for local governments, businesses, and households nation-wide. Decision-makers will be able to more easily identify local areas that require assistance despite the economic recovery for the nation as a whole, facilitating more targeted and effective economic policy.

There are no risks to the development and production of new data, particularly not as it relates to a new dashboard for regional statistics. In this case, given that no new data collection is proposed (i.e. the new county-level statistics will be built from existing data), businesses will face no additional burden, yet will benefit from the value of insightful new information.

The opportunities presented by this proposal are considerable given BEA's record of performance producing the nation's official economic data. Among the many benefits of this proposed regional dashboard, the most compelling opportunity is the expansion of regional detail at the county level, which will empower a new capability to customize regional data by geography, rather than relying on traditional divisions such as states or metro areas, which do not necessarily align with economic activity.

This proposal benefits the Department's mission and speaks directly to the objectives of the Open for Business Strategic Plan, in particular objectives 4.1, 4.2 and 4.3. With respect to these objectives, the Department is the primary source of actionable data and official statistics on the state of the economy. Along with the daily provision of weather information, the weekly issuance of economic indicators is one of the Department's most important and visible functions. The regional economic dashboard will equip businesses, community leaders and government policymakers with new and insightful data to inform decisions across public and private programs and investments (4.2). Moreover, the regional dashboard will pull together all of BEA's best regional data offerings to make them more accessible and usable to users (4.1).

The risk of not pursuing this proposal is perpetuating a continued lack of operational regional economic data, and not providing the necessary toolkit for local officials and businesses. BEA is well suited to develop this data set given its role as the custodian of the nation's economic accounts.

Given the reality of the U.S. economy's makeup as a collection of regional economies, the addition of the proposed new and improved information will assist decision-making at multiple levels. This is an outstanding opportunity for the Department to expand and fully leverage its portfolio of data offerings.

Costs are largely personnel in nature (\$1,675,000 of the proposal). Additional expected expenditures include \$275,000 for data purchases, and \$1,000,000 for upgrades to, and maintenance for, statistical production and dissemination systems.

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BEA has a long record of accomplishment successfully developing high-quality economic data that provide a granular view of macroeconomic dynamics. Given its role in the federal statistical system, its traditions of transparent methodology, and its considerable access to leading private and academic sector voices on the topic, BEA is uniquely suited to accomplishing this task.

Since BEA is the sole producer of official U.S. national account statistics, there are no alternative means to producing new county-level statistics consistent with measures of U.S. national GDP and the other official industry, international, and regional statistics that BEA produces. This comparability is the key value of these data, as it allows for cross tabulation with other industry and regional data, without which the data is of limited value.

BEA has a long history of working collaboratively with both the Bureau of Labor Statistics and the Census Bureau to support its statistical programs and will continue to do so in support of this initiative. In fact, much of the work related to assessing the best methodology to produce GDP by county statistics will rely on special tabulations received from the Census Bureau and the use of a research seat at the Census Bureau's Center for Economic Studies to investigate techniques that may be employed to improve the quality of BEA's entire range of regional GDP products.

Although there are no direct measurable savings, the regional economic dashboard would improve the accuracy of the data that are at the crux of important investment and relocation decisions

Over the years multiple efforts have been made, both within and external to government, but none have led to the development of expanded county-level measures consistent with U.S. GDP and BEA's official economic statistics. However, given the heightened focus on regional aspects of the U.S. economy, there is clear evidence of the need for more granular, geographic breakouts of the data.

With respect to budget linkages, this proposal links directly to existing BEA regional data programs, and represents a series of expansions and or improvements to the core regional program. Further, BEA's regional accounts are produced in a consistent framework, and with numerous interconnections to BEA's national and industry programs. This expanded regional data, and the expanded validation systems proposed in this initiative, could then be used by BEA or other agencies and researchers to translate these measures into other valuable information.

Statement of Need and Economic Benefits

Explicit cost benefits are unavailable for data products, as they are provided to data users at no cost. However, the civil, economic, and development value of these expanded data products are high. More importantly, data products are often evaluated in terms of detail, relevance, and latency. In each of these areas, this proposal will deliver improvements. With respect to detail, this proposal will expand the coverage of regional data in targeted ways to deliver improvements in direct response to customer feedback and needs as exposed by the recession and recovery, also improving relevance. By accelerating existing state-level GDP statistics to a quarterly basis with improved coverage of industry dynamics, latency is also reduced.

Specific economic benefits of this investment:

More accurate, detailed and integrated measures of regional economies are critical for understanding U.S. competitiveness, the prospects for future economic growth, and the shifts in economic activity across regions. BEA regional data provides the only measures across all parts of the U.S. in a

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consistent way, allowing consistent comparison across states, metropolitan areas, and counties. This in turn enables economic development, local government planning, and business investment decisions to occur in an informed environment, resulting in economic growth and job creation.

Specific cost savings:

While this proposal will not result in specific cost savings to BEA, it will result in significantly improved and expanded economic statistics. These improved and expanded statistics will provide the necessary information to develop policies and affect business investments that will improve U.S. competitiveness and create new jobs.

Possible return on investment:

Investments in enhancements to BEA data can generate significant returns. Undertaking this initiative will result in the direct improvement of both the regional product line offered by BEA, as well as the validation of that data, the source data used to produce regional products and the dissemination of that data to end users. Across each of these areas, the return on investment to the Bureau is largely measured as improved customer service and customer satisfaction. By expanding the regional product offering, and improving the underlying estimation and validation systems, the Bureau will deliver a measurably better and more accurate product to its customers.

Schedule and Milestones:

FY17: Begin research to develop the methodology to produce and review GDP by county, assess the level of industry detail that should be released, begin development of the regional dashboard.

FY18: Release prototype GDP by County statistics. Vet prototype statistics with key stakeholders such as BEA's Advisory Committee. Development of a processing system to produce and review these statistics on a regular basis and introduce GDP by County statistics with select industry detail. Introduce the regional dashboard.

Deliverables:

- New GDP by county statistics with select industry detail
- Refined measures of consumer spending by state with expanded spending category detail
- New system that uses a variety of non-survey data to improve and ensure the quality of the new statistics
- New regional economic dashboard including customizable tool for users defined regional statistics

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PROGRAM CHANGE FUNCTIONAL SUMMARY

(Dollars in Thousands)

Budget Program: Bureau of Economic Analysis
Sub-program: Regional Economic Accounts
Program Change: Regional Economic Dashboard

| Functional Summary Table for Regional Dashboard | | | |
|--|------------|---------------|--------------|
| Dollars in thousands | | | |
| FY 2017 Personnel/Non-personnel | Pos | Amount | |
| Regional Economic Accounts | | | |
| Senior Economist | 2 | \$ | 161 |
| Senior Economist | 4 | \$ | 424 |
| Economist | 3 | \$ | 308 |
| Economist | 4 | \$ | 400 |
| IT Specialist | 1 | \$ | 282 |
| IT Specialist | 1 | \$ | 101 |
| Data Purchase | | \$ | 275 |
| Software | | \$ | 1,000 |
| Training | | \$ | - |
| Space Reallocation | | \$ | - |
| Other services | | \$ | 45 |
| Total | 15 | \$ | 2,995 |

Personnel Data

Full Time Equivalent Employment

| | |
|--------------------------------|----------|
| Full-time permanent | 5 |
| Other than full-time permanent | 0 |
| Total | 5 |

Authorized Positions

| | |
|--------------------------------|-----------|
| Full-time permanent | 15 |
| Other than full-time permanent | 0 |
| Total | 15 |

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PROGRAM CHANGE DETAIL BY OBJECT CLASS

(Dollars in Thousands)

Budget Program: Bureau of Economic Analysis
Sub-program: Regional Economic Accounts
Program Change: Regional Economic Dashboard

| Object Class | | FY 2017 Increase | FY 2017 Total Program |
|---------------------|---|-----------------------------|----------------------------------|
| 11.0 | Personnel compensation | | |
| 11.1 | Full-time permanent | 1,208 | 11,093 |
| 11.3 | Other than full-time permanent | 0 | 151 |
| 11.5 | Other personnel compensation | 0 | 121 |
| 11.8 | Special personnel services payments | 0 | 0 |
| 11.9 | Total personnel compensation | 1,208 | 11,365 |
| 12.0 | Civilian personnel benefits | 468 | 3,770 |
| 13.0 | Benefits for former personnel | 0 | 5 |
| 21.0 | Travel and transportation of persons | 0 | 63 |
| 22.0 | Transportation of things | 0 | 4 |
| 23.1 | Rental payments to GSA | 0 | 1,401 |
| 23.2 | Rental Payments to others | 0 | 72 |
| 23.3 | Communications, utilities and miscellaneous charges | 0 | 137 |
| 24.0 | Printing and reproduction | 0 | 11 |
| 25.1 | Advisory and assistance services | 275 | 314 |
| 25.2 | Other services | 42 | 1,603 |
| 25.3 | Purchases of goods & services from Gov't accounts | 0 | 1,937 |
| 25.4 | Operation and maintenance of facilities | 0 | 49 |
| 25.5 | Research and development contracts | 0 | 0 |
| 25.6 | Medical care | 0 | 0 |
| 25.7 | Operation and maintenance of equipment | 1,000 | 1,037 |
| 25.8 | Subsistence and support of persons | 0 | 0 |
| 26.0 | Supplies and materials | 0 | 285 |
| 31.0 | Equipment | 2 | 80 |
| 99.0 | Total obligations | 2,995 | 22,133 |

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PROGRAM CHANGE:

Accelerating and Improving the Quality of Economic Indicators (\$1.859 million / 16 Positions)

The increasing complexity and dynamic structure of the U.S. economy make it increasingly important that policy makers, business leaders, and main street America have the most accurate and timely economic information possible. Addressing measurement challenges in the post recovery era, continues to be a mission critical priority for both the Bureau of Economic Analysis (BEA) and the Census Bureau, and both bureaus will perform separate, yet coordinated elements of this initiative.

As such, we propose a multifaceted initiative that will increase the **accuracy** and **timeliness** of a substantial number of key economic indicators – many of which have not been modified for years – cumulatively leading to a more precise measure of Gross Domestic Product (GDP). Census and BEA lead the global community in survey data collection, analysis, and macroeconomic measurement. If implemented collectively, the elements of this proposal have far-reaching implications for informing business and policy decisions. Businesses and governments use our key economic indicators to guide policy and investment decisions that affect the well-being of American businesses and households from Wall Street to Main Street.

This proposal builds upon recent efforts that are already translating into significant improvements to GDP. Through a collaborative pilot effort, Census and BEA have created an accelerated “flash” estimate of trade, enabling the incorporation of a full quarter of trade data into BEA’s advanced estimate of GDP, thereby improving the reliability of the earliest estimate of GDP. Previously, only two out of three months of trade data were available in time for incorporation into the advance estimate of GDP. Early incorporation of the trade data will reduce revisions in subsequent periods.

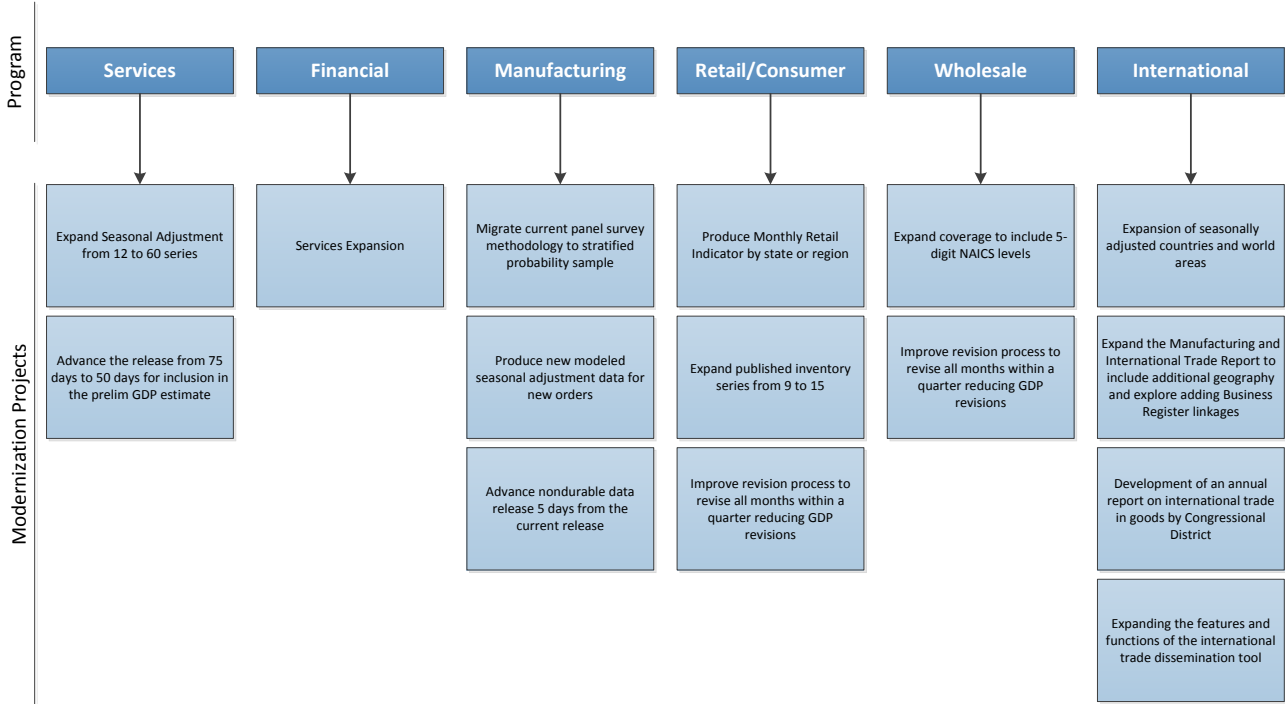
Based on the success of our collaboration on trade data, we propose to seize additional opportunities to accelerate key indicators, improve their timeliness and accuracy, and accelerate their incorporation into GDP. The result will be a full suite of enhanced macroeconomic indicators, delivered to our end users more quickly and with more precision, to drive decisions on investment, economic growth, and job creation.

The primary strategic goal this initiative advances is 4.3, “Collaborate with the business community to provide timelier, accurate, and relevant data products and services for customers.” It also has indirect benefits to other strategic goals:

- Transform the Department’s data capacity to enhance the value, accessibility and usability of Commerce data for government, business and the public (4.1)
- Improve data-based services, decision-making, and data sharing within the Department and with other parts of the federal government (4.2)

EXHIBIT 12 – 15

Strategic Objective 4.3: Improve government, business, and community decisions and knowledge by transforming Department data capabilities and support a data-enabled economy



The Census Bureau and BEA propose a comprehensive modernization of economic indicators to improve timeliness, accuracy, and scope for the 21st century economy. We will accelerate the release of key indicators (cut advance release data from the end of a quarter from 75 to 50 days); expand coverage to better measure key sectors of the economy; accelerate the incorporation of data into GDP estimates (expand coverage of the Quarterly Financial report (QFR) to include real estate and health care, accommodations, and food service), thereby reducing revisions; expand the trade reports; improve data value by seasonally adjusting more industries (expanding seasonal adjustment from 12 NAICS series to 60, including healthcare and financial services); and improve a panel survey with modern statistical practices.

The Census Bureau’s economic indicators program provides the essential data building blocks for aggregate economic measures such as GDP, Gross Domestic Income, corporate profits, GDP by industry and regional variations. In many cases, revisions to GDP are the result of the incorporation of newly released Census data, which then replace trend extrapolation and proxy measures used by BEA for the early estimates of GDP. As a combined effort, the proposed changes will deliver more precise data faster, better informing business and public sector decision-making, as well as enabling BEA to incorporate these building blocks earlier. American households, businesses and state and local governments rely on these statistics to guide millions of financial decisions each year. Through this initiative, BEA and Census will greatly improve

EXHIBIT 12 – 15

GDP, the key measure of economic performance, as well as other important real-time indicators of the US economy.

Following are program-by-program descriptions of our proposed improvements, their benefit to data users, and their impact on improving the precision of GDP estimates.

| Survey Title | Survey Description | Improvements Proposed |
|---|---|--|
| Quarterly Services Survey (QSS) | A principle economic indicator series that produces quarterly estimates of total operating revenue and percentage of revenue by class of customer (government, business, consumers, and individuals). This is the only source of service indicator series. | <ul style="list-style-type: none"> • Census will expand seasonal adjustment from 12 to 60 North American Industry Classification (NAICS) series. • Census will advance the release from 75 days to 50 days after quarter end. |
| Quarterly Financial Report (QFR) | Publishes aggregate statistics on the financial results and position of U.S. corporations. Based upon a sample survey of manufacturing corporations with assets of \$250,000 and over, and corporations in mining, wholesale trade, retail trade, and selected services industries. | <ul style="list-style-type: none"> • Census will expand coverage to include the Real Estate, Health Care, Accommodations and Food Services, and Administrative/ Waste Management sectors, increasing coverage from 36.5 percent to 60.8 percent of GDP. • BEA utilizes QFR data for measures of GDP, Corporate Profits, and Gross Domestic Income (GDI). The expanded coverage will more closely align the source data BEA uses to measure production from company earnings (GDI) versus production from expenditures (GDP). • Acceleration of BEA's GDP-by-Industry series by 30 days. |
| Manufacturers' Shipments, Inventories, and Orders (M3) | Provides monthly statistical data on current economic conditions and indications of future production commitments in the manufacturing sector, covering 89 industry categories. | <ul style="list-style-type: none"> • Census will migrate the current panel survey methodology to a stratified probability sample survey methodology. • Census will combine the durable and non-durable releases to produce one comprehensive report, releasing the non-durable data up to 5 days earlier than the current schedule. • Census will improve methodology for producing estimates of the new orders. • This new accelerated comprehensive report will enable BEA to incorporate inventory data into the "advanced" estimate of GDP, eliminating |

EXHIBIT 12 – 15

| Survey Title | Survey Description | Improvements Proposed |
|--|---|--|
| Monthly Retail Trade Survey (MRTS) | Provides measures of consumer spending at retail and food service establishments. | <p>one of the initial data gaps responsible for a notable portion of revisions.</p> <ul style="list-style-type: none"> • Census will produce a monthly Retail Trade Indicator containing data for specific geographic areas within the U.S. The use of alternative data sources to supplement survey responses would improve the current retail trade measurement and lead to development of state or measures of retail sales. This information would be particularly useful in assessing regional impacts of natural events, stimulus or employment activity, and new economic activity such as the recent petroleum expansion. • Census will expand the published inventory series from 9 to 15. • Census will improve the revision process to revise all months within a quarter. • BEA will then be able to incorporate this expanded detail into measures of Personal Consumption Expenditures, or consumer spending, enabling a more detailed read on a monthly basis of overall consumption, which comprises nearly 70 percent of all economic activity. Further, new regional dimensions of retail trade would provide key new source data to allow BEA to expand the detail offered in Personal Consumption Expenditures by State. |
| Monthly Wholesale Trade Survey (MWTS) | Provides an up-to-date indication of sales and inventories trends of U.S. Merchant Wholesalers. | <ul style="list-style-type: none"> • Census will improve the revision process to revise all months within a quarter. • Census will expand coverage to include detailed NAICS levels. • BEA will then have detailed data in time to incorporate the advance wholesale inventory data into the “advanced” estimate of GDP, replacing extrapolations and proxy data for the third month of the measurement quarter, leading to a reduction in revisions to GDP. This new detail will also improve BEA’s GDP-by-Industry series, providing important new detail regarding wholesale inventories. |
| International Trade Indicator | Census and the BEA jointly produce the U.S. International Trade in Goods & Services Report, | <ul style="list-style-type: none"> • Census will expand the Manufacturing and International Trade Report (MITR) to include additional state-level accounts of data that is currently only available at the national level. |

EXHIBIT 12 – 15

| Survey Title | Survey Description | Improvements Proposed |
|-----------------|--|---|
| Programs (ITIP) | which provide timely statistics of exports and imports goods and services moving out of and into the United States. Census collects the goods statistics, while BEA estimates trade in services. | <ul style="list-style-type: none"> Census will develop an annual report on international trade in goods by Congressional district to provide additional small area data. Census and BEA will expand the number of countries and world areas for which seasonally adjusted data are available from 12 to 27. Census will expand the features and functions of USA Trade Online, the international trade dissemination tool. |

Statement of Need and Economic Benefits

BEA, the primary data user, will incorporate these improvements into estimates of GDP, providing policy makers, businesses, and other data users with higher quality, more timely measures of the U.S. economy.

| The initiative builds upon these ongoing fiscal year 2015 and 2016 projects | | | | |
|---|--|--|---|--|
| Services | Financial | Manufacturing | Retail and Wholesale Trade | International |
| Developing a Total Services Indicator to provide an overarching performance measure of the U.S. Services Economy. | Working towards releasing the Retail Financial Report 5 business days earlier to release one comprehensive financial report. | Conducting a coverage study to assess the current respondent group representation to the universe of U.S. manufacturers. | Developing advance Inventory Estimates with the goal of producing an advanced inventory public release. | In conjunction with BEA and Statistic Canada, completed research and development of an advanced trade report, scheduled to be released in July 2015. |

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Schedule, Milestones, and Deliverables:

| Milestone | Date |
|---|-------------|
| Produce Monthly Retail Indicator by State or Region | 9/30/2017 |
| Expand International Trade Dissemination Tool | 9/30/2017 |
| Release Service Data 25 days in Advance of Current Schedule | 12/30/2017 |
| Publish New Financial Service Data | 3/31/2018 |
| Publish Manufacturing Advance Full Release | 5/30/2018 |
| Publish Additional Retail Inventory levels | 5/31/2018 |
| Publish International Trade by Congressional District | 10/1/2018 |
| Expand International Seasonally Adjusted Countries | 3/1/2019 |
| Publish detailed Wholesale Industries | 3/31/2019 |
| Release Services Seasonally Adjusted Data | 6/30/2019 |
| Publish Manufacturing Data with Modernized Methodology | 5/30/2020 |
| Expand the Manufacturing and International Trade Report | 12/1/2020 |

EXHIBIT 12 – 15

PROGRAM CHANGE PERSONNEL DETAIL

(Dollars in Thousands)

Budget Program: Bureau of Economic Analysis
Sub-program: National Economic Accounts
Program Change: Accelerating and Improving the Quality of Economic Indicators

| Functional Summary Table for Economic Indicators | | |
|---|------------|----------------|
| Dollars in thousands | | |
| <u>Personnel/Non-personnel:</u> | <u>Pos</u> | <u>Amount</u> |
| National Economic Accounts | 16 | \$1,859 |
| Senior Economist | 3 | \$321 |
| Senior Economist | 4 | \$565 |
| Economist | 4 | \$402 |
| Economist | 3 | \$305 |
| IT Specialist | 2 | \$201 |
| Data Purchase | | \$00 |
| Software | | \$00 |
| Training | | \$00 |
| Space Reallocation | | \$00 |
| Other services | | \$64 |
| Total | 16 | \$1,859 |

Personnel Data

Full Time Equivalent Employment

| | |
|--------------------------------|----------|
| Full-time permanent | 5 |
| Other than full-time permanent | 0 |
| Total | 5 |

Authorized Positions

| | |
|--------------------------------|-----------|
| Full-time permanent | 16 |
| Other than full-time permanent | 0 |
| Total | 16 |

EXHIBIT 12 – 15

PROGRAM CHANGE DETAIL BY OBJECT CLASS

(Dollars in Thousands)

Budget Program: Bureau of Economic Analysis
Sub-program: National Economic Accounts
Program Change: Accelerating and Improving the Quality of Economic Indicators

| Object Class | FY 2017 Increase | FY 2017 Total Program |
|--|-----------------------------|----------------------------------|
| 11.0 Personnel compensation | | |
| 11.1 Full-time permanent | 1,293 | 18,553 |
| 11.3 Other than full-time permanent | 0 | 252 |
| 11.5 Other personnel compensation | 0 | 202 |
| 11.8 Special personnel services payments | 0 | 0 |
| 11.9 Total personnel compensation | 1,293 | 19,007 |
| 12.0 Civilian personnel benefits | 502 | 6,305 |
| 13.0 Benefits for former personnel | 0 | 8 |
| 21.0 Travel and transportation of persons | 0 | 106 |
| 22.0 Transportation of things | 0 | 6 |
| 23.1 Rental payments to GSA | 0 | 2,803 |
| 23.2 Rental Payments to others | 0 | 120 |
| 23.3 Communications, utilities and miscellaneous charges | 0 | 228 |
| 24.0 Printing and reproduction | 0 | 18 |
| 25.1 Advisory and assistance services | 0 | 66 |
| 25.2 Other services | 61 | 3,518 |
| 25.3 Purchases of goods & services from Gov't accounts | 0 | 4,076 |
| 25.4 Operation and maintenance of facilities | 0 | 82 |
| 25.5 Research and development contracts | 0 | 0 |
| 25.6 Medical care | 0 | 0 |
| 25.7 Operation and maintenance of equipment | 0 | 61 |
| 25.8 Subsistence and support of persons | 0 | 0 |
| 26.0 Supplies and materials | 1 | 477 |
| 31.0 Equipment | 2 | 135 |
| 99.0 Total obligations | 1,859 | 37,016 |

Department of Commerce
Economic and Statistical Analysis Budget
Economics and Statistics Administration / Bureau of Economic Analysis
Salaries and Expenses
SUMMARY OF REQUIREMENTS BY OBJECT CLASS
(Dollar amounts in thousands)

| Object Class | 2015 Actual | 2016 Enacted | 2017 Base | 2017 Estimate | 2017 Increase |
|---|----------------|-----------------|----------------|------------------|------------------|
| 11 Personnel compensation | | | | | |
| 11.1 Full-time permanent | 51,510 | 53,810 | 54,877 | 57,460 | 2,583 |
| 11.3 Other than full-time permanent | <u>766</u> | <u>773</u> | <u>781</u> | <u>781</u> | <u>0</u> |
| <i>Subtotal 11-01 and 11-03</i> | 52,276 | 54,583 | 55,658 | 58,241 | 2,583 |
| 11.5 Other personnel compensation | 625 | 625 | 625 | 625 | 0 |
| 11.8 Special personnel services payments | 0 | 0 | 0 | 0 | 0 |
| 11.9 Total personnel compensation | 52,901 | 55,208 | 56,283 | 58,866 | 2,583 |
| 12.1 Civilian personnel benefits | 16,615 | 17,566 | 18,364 | 19,526 | 1,162 |
| 13.0 Benefits for former personnel | 25 | 25 | 25 | 25 | 0 |
| 21.0 Travel and transportation of persons | 304 | 324 | 327 | 327 | 0 |
| 22.0 Transportation of things | 19 | 20 | 20 | 20 | 0 |
| 23.1 Rental payments to GSA | 8,312 | 8,436 | 8,682 | 8,682 | 0 |
| 23.2 Rental payments to others | 355 | 366 | 372 | 372 | 0 |
| 23.3 Communications, utilities and miscellaneous | 682 | 696 | 708 | 708 | 0 |
| 24.0 Printing and reproduction | 53 | 54 | 55 | 55 | 0 |
| 25.1 Advisory and assistance services | 196 | 200 | 204 | 204 | 0 |
| 25.2 Other services from non-federal sources | 8,927 | 9,619 | 9,786 | 10,895 | 1,109 |
| 25.3 Purchases of goods and services from Gov't | 12,383 | 14,185 | 14,388 | 12,625 | (1,763) |
| 25.4 Operation and maintenance of facilities | 248 | 250 | 255 | 255 | 0 |
| 25.7 Operation and maintenance of equipment | 184 | 187 | 190 | 190 | 0 |
| 26.0 Supplies and materials | 1,372 | 1,452 | 1,477 | 1,477 | 0 |
| 31.0 Equipment | 224 | 413 | 417 | 417 | 0 |
| 99.0 Total Obligations | 102,799 | 109,000 | 111,552 | 114,643 | 3,091 |
| Less, Prior Year Unobligated Balance | (3,964) | | | | |
| Less, Prior Year Recoveries and Refunds | | | | | |
| Plus, Unobligated Balance, EOY | | | | | |
| Plus, Unobligated Balance, Expiring | | | | | |
| Total Budget Authority | 98,835 | 109,000 | 111,552 | 114,643 | |

| Personnel Data | 2015 Enacted | 2016 Estimate | 2017 Base | 2017 Estimate | 2017 Increase |
|----------------------------------|-----------------|------------------|--------------|------------------|------------------|
| Full-Time Equivalent Employment: | 470 | 499 | 502 | 512 | 10 |
| Positions: | 481 | 508 | 508 | 539 | 31 |

Department of Commerce
 Economic and Statistical Analysis Budget
 Economics and Statistics Administration / Bureau of Economic Analysis
 Salaries and Expenses
ADVISORY AND ASSISTANCE SERVICES
 (dollars in thousands)

| Object Class 25.1 | FY 2015 Actual | FY 2016 Enacted | FY 2017 Estimate |
|--------------------------------------|-------------------|--------------------|---------------------|
| Management and Professional Services | \$196 | 200 | 204 |
| Special Studies and Analyses | \$0 | 0 | 0 |
| Engineering and Technical Services | \$0 | 0 | 0 |
| TOTALS | \$196 | 200 | 204 |

Management and professional services, and special studies are utilized to the extent that they provide a cost-effective source for services.

Further, it is not practical for ESA to work in an insulated environment. Consulting and related services contribute to the overall stability of ESA's work by: (1) providing cross-checks to ESA's work; and (2) supplementing staff to investigate important issues or problems.

Department of Commerce
 Economic and Statistical Analysis Budget
 Economics and Statistics Administration / Bureau of Economic Analysis
 Salaries and Expenses
PERIODICALS, PAMPHLETS, AND AUDIOVISUAL SERVICES
 (dollars in thousands)

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Estimate |
|----------------------|-------------------|--------------------|---------------------|
| Periodicals | \$72 | \$72 | \$72 |
| Pamphlets | \$11 | \$11 | \$11 |
| Audiovisual Services | \$0 | \$0 | \$0 |
| TOTALS | \$83 | \$83 | \$83 |

A central component of BEA's mission is to gather and disseminate information about U.S. economic accounts in a timely and cost effective manner. BEA accomplishes this dissemination through its public Web site, www.bea.gov. The site provides a comprehensive set of data tables, economic indicator releases, methodology papers, the BEA Strategic Plan, and other key information developed by the Bureau. Another important means of disseminating BEA information is through creation and public distribution of periodicals, reports, pamphlets, and related printed or audiovisual materials. BEA has developed an effective portfolio of these communications tools, maximizing public access to economic account information as follows:

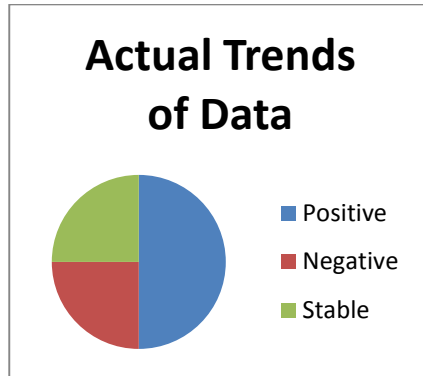
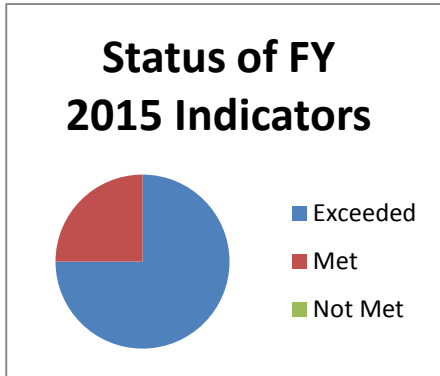
Periodicals – On a monthly basis, BEA publishes the Survey of Current Business (SCB). The SCB is BEA's flagship journal containing numerous articles written by BEA staff interpreting economic data being disseminated by BEA. In addition, the SCB includes extensive tables and charts of economic data gathered and tracked by BEA. The data collectively serve as a resource for government officials, economists, the media, financial professionals, academicians, and the general public. The SCB also serves to fulfill BEA's legal requirement to make public the data it collects across the national, international, regional, and industry economic accounts both in print and online versions.

Pamphlets and other publications – Each year BEA produces and distributes a variety of publications to support its mission of providing available data and services to thousands of external customers. These products are often distributed to the public through trade shows and regional conferences where BEA staff are present, or at meetings with other government agencies or congressional officials. Products include the BEA brochure, the BEA Strategic Plan, the BEA Customer Service Guide, economic account fact sheets, release schedules, regional data wheels, instructional literature on using BEA data, and the BEA Customer Satisfaction Report.

Department of Commerce
Economic and Statistical Analysis Budget
Economics and Statistics Administration / Bureau of Economic Analysis
Salaries and Expenses
AVERAGE GRADE AND SALARIES

| | FY 2015 Actual | FY 2016 Enacted | FY 2017 Estimate |
|----------------------|-------------------|--------------------|---------------------|
| Average ES Salary | \$175,290 | \$177,568 | \$179,877 |
| Average GS/GM Grade | 13 | 13 | 13 |
| Average GS/GM Salary | \$105,271 | \$106,639 | \$108,026 |

FY 2017 Performance Planning and FY 15 Reporting Backup (ESA and BEA)



Status is based on the following:

The Economics and Statistics Administration has four performance indicators of which one (Accuracy- Percent of GDP estimates correct) was exceeded, and the remaining three were met. Two of the measures are positive, one is negative and one is varying.

Summary of Indicator Performance

Objective: Collaborate with the business community to provide more timely, accurate, and relevant data products and services for customers

| Indicator | Target | Actual | Status | Trend |
|---|--------|--------|--------|----------|
| Timeliness- Reliability of delivery of economic data statistics (the number of scheduled releases issued on schedule) | 69 | 65 | Met | Positive |
| Relevance- Customer satisfaction (on a 5 point scale) | 4.0 | 4.0 | Met | Negative |

| | | | | |
|--|-----------|-----------|----------|----------|
| Accuracy- Percent of GDP estimates correct | 83% | 85% | Exceeded | Positive |
| Strategic Milestones Completed | Completed | Completed | Met | Stable |

Detailed Indicator Plans and Performance

Recurring Indicators

Objective: Collaborate with the business community to provide more timely, accurate, and relevant data products and services for customers

| Indicator | Timeliness- Reliability of delivery of economic data statistics (scheduled releases issued on time) | | | | | | | |
|-----------------------------------|--|----------|----------|----------|----------|---------|---------|---------|
| Category | Other | | | | | | | |
| Type | Customer Service and Efficiency | | | | | | | |
| Description | The importance of data as an ingredient for sound economic decision-making requires BEA to deliver data to decision-makers and other data users not only quickly but also reliably—that is, on schedule. Each fall, BEA publishes a schedule for the release of its economic data the following year; this measure is evaluated as the number of scheduled releases issued on time. BEA has an outstanding record of releasing its economic data on schedule and on time. In FY 2015, BEA met the target of planned releases and has no indication that this target will not be met in 2016. | | | | | | | |
| | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 |
| Target | 55 | 62 | 62 | 62 | 62 | 69 | 69 | 69 |
| Actual | 61 of 55 | 62 of 62 | 62 of 62 | 62 of 62 | 65 of 62 | 65 | | |
| Status | Exceeded | Met | Met | Met | Exceeded | Met | | |
| Trend | The trend for this indicator is positive. | | | | | | | |
| Actions to be taken/ Future Plans | BEA has no plans to change this indicator. | | | | | | | |
| Adjustments to targets | Adjustments to targets have not been made. | | | | | | | |
| Notes | Includes data from FY 2009 | | | | | | | |
| Information Gaps | There are no information gaps for this indicator. | | | | | | | |

| Indicator | Relevance- Customer satisfaction (on a 5 point scale) |
|------------------|---|
| Category | Other |
| Type | Customer service |
| Description | Customer satisfaction is a critical measure of BEA's ability to provide the types of data that are relevant, accurate, and needed by users. BEA measures the level of customer satisfaction through an on-going online survey of users. FY 2015 scores will be available in FY 2016, however, BEA has received indication that users continue to be satisfied with the overall quality of BEA's products. |

| | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 |
|-----------------------------------|---|---|----------|----------|---------|---------|---------|---------|
| Target | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Actual | 4.2 | 4.4 | 4.3 | 4.1 | 4.0 | 4.0 | | |
| Status | Exceeded | Exceeded | Exceeded | Exceeded | Met | Met | | |
| Trend | The trend for this indicator is slightly negative. Eroding web site usability was a main contributor to the slightly negative trend in customer satisfaction. However, continued research and development of new and improved web technologies should reverse this trend. | | | | | | | |
| Actions to be taken/ Future Plans | | BEA has no plans to change this indicator. | | | | | | |
| Adjustments to targets | | Adjustments to targets have not been made. | | | | | | |
| Notes | | Includes data from FY 2009 | | | | | | |
| Information Gaps | | There are no information gaps for this indicator. | | | | | | |

| Indicator | Accuracy- Percent of GDP estimates correct | | | | | | | |
|-----------------------------------|--|---|----------|----------|----------|----------|---------|---------|
| Category | Other | | | | | | | |
| Type | Efficiency | | | | | | | |
| Description | This performance measure tracks BEA's ability to accurately estimate its most important statistic, the gross domestic product (GDP). This measure is a composite index of six indicators of accuracy, applied using three-year rolling averages to develop a single measure of the correctness of the GDP statistics. FY 2015 results will become finalized in FY 2016, but BEA expects to exceed this target. | | | | | | | |
| | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 |
| Target | 85% | 85% | 85% | 83% | 83% | 83% | 83% | 83% |
| Actual | 88% | 87% | 87% | 84% | 86% | 85% | | |
| Status | Exceeded | Exceeded | Exceeded | Exceeded | Exceeded | Exceeded | | |
| Trend | The trend for this indicator is stable. | | | | | | | |
| Actions to be taken/ Future Plans | | BEA will assess the indicator in FY 2017. | | | | | | |
| Adjustments to targets | | Adjustments to targets have not been made. | | | | | | |
| Notes | | Includes data from FY 2009 | | | | | | |
| Information Gaps | | There are no information gaps for this indicator. | | | | | | |

| Indicator | Complete all major strategic milestones related to improving economic accounts | | | | | | | |
|-----------------------------------|--|------------------------|------------------------|------------------------|------------------------|------------------------|--------------------|--------------------|
| Category | Other | | | | | | | |
| Type | Process | | | | | | | |
| Description | BEA must continually update its economic accounts to keep pace with the ever-changing U.S. and global economies. The BEA Five-Year Strategic Plan tracks BEA's progress toward achieving the milestones related to this measure. In FY 2014, BEA completed all of its major milestones related to improving GDP and the economic accounts and expects to meet this target in current and future years. | | | | | | | |
| | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 |
| Target | Complete Milestone | Complete Milestone | Complete Milestone | Complete Milestone | Complete Milestone | Complete Milestone | Complete Milestone | Complete Milestone |
| Actual | Completed Successfully | Completed Successfully | Completed Successfully | Completed Successfully | Completed Successfully | Completed Successfully | | |
| Status | Met | Met | Met | Met | Met | Met | | |
| Trend | The trend for this indicator is stable. | | | | | | | |
| Actions to be taken/ Future Plans | BEA has no plans to change this indicator. | | | | | | | |
| Adjustments to targets | Adjustments to targets have not been made. | | | | | | | |
| Notes | Includes data from FY 2009 | | | | | | | |
| Information Gaps | There are no information gaps for this indicator. | | | | | | | |

| Indicator | Milestones met to explore and examine future economic data sources | | | | | | | |
|------------------|---|---------|---------|---------|---|--|--------------------------------|---|
| Category | Other | | | | | | | |
| Type | Efficiency | | | | | | | |
| Description | ESA collects much of its information to produce its economic datasets through extensive surveys, which are expensive and time consuming. The collection of data through surveys is becoming increasingly more difficult as the fewer people respond to surveys. In order to meet the needs of its customers, ESA will explore alternative ways to collect the information needed for current and future economic needs. | | | | | | | |
| | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 |
| Target | | | | | Meet with producers of economic data and discuss possible use by Commerce | Explore agreements with one or more producers of economic data | Execute and monitor agreements | Evaluate effectiveness of agreements and extend/modify/ cancel as appropriate |

| | | | | | | | | |
|-----------------------------------|---|--|--|--|-------------------|----------------------------------|--|--|
| Actual | | | | | Meetings occurred | Two agreements under negotiation | | |
| Status | | | | | Met | Met | | |
| Trend | Not enough data to produce a trend | | | | | | | |
| Actions to be taken/ Future Plans | ESA has no plans to change this indicator. | | | | | | | |
| Adjustments to targets | Adjustments to targets have not been made. | | | | | | | |
| Notes | Includes data from FY 2014 | | | | | | | |
| Information Gaps | There are no information gaps for this indicator. | | | | | | | |

| Indicator | Milestones met to explore and examine future economic products and datasets | | | | | | | |
|-------------|--|---------|---------|---------|---|-----------------|---------------|---------------|
| Category | Other | | | | | | | |
| Type | Efficiency | | | | | | | |
| Description | ESA collects much of its information to produce its economic datasets through extensive surveys, which are expensive and time consuming. Raw economic information is available from a host of sources. Private sector data providers use a number of techniques and sources of information for their products. ESA will explore these techniques and sources to determine which might be appropriate for obtaining raw economic information. | | | | | | | |
| | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 |
| Target | | | | | Identify staff from BEA and Census to participate in the exploration and examination of future economic products and datasets | Develop a POA&M | Execute POA&M | Execute POA&M |
| Actual | | | | | Staff identified | POA&M developed | | |
| Status | | | | | Met | Met | | |
| Trend | Not enough data to produce a trend | | | | | | | |

| | |
|-----------------------------------|---|
| Actions to be taken/ Future Plans | ESA has no plans to change this indicator. |
| Adjustments to targets | Adjustments to targets have not been made. |
| Notes | Includes data from FY 2014 |
| Information Gaps | There are no information gaps for this indicator. |

Non-Recurring Indicators

None.

Other Indicators

None.

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