

The following list presents the definitions, verification and validation informations for each performance measure that supports the bureau's annual performance plan. Based on verification and validation, each measure is rated as having either: "Reasonable Accuracy" (judged to be sufficiently accurate for program management and performance reporting purposes) or as "Questionable or Unknown Accuracy" (judged to have insufficient accuracy for program management and performance reporting purposes). In general, Treasury considers its performance measure data quality to be reasonably accurate.

Bureau of Engraving & Printing FY 2005

Budget Activity: Manufacturing

Performance Measure: Manufacturing costs for currency (dollar costs per thousand notes produced) (\$) (E)

Definition:

An indicator of currency manufacturing efficiency and effectiveness of program management. This standard is developed annually based on the past year's performance, contracted price factors, and anticipated productivity improvements. Actual performance comparison against the standard depends on BEP's ability to meet annual spoilage, efficiency, and capacity utilization goals established for this product line.

How Data is Captured:

Cost data is collected through BEP's accrual-based cost accounting system.

How Data is Verified and Validated to Make Certain it is Accurate:

BEP's accrual-based cost accounting system is audited annually as part of the financial statement audit.

Data Accuracy:

Reasonable

Data Frequency:

Quarterly

Performance Measure: Percent of currency notes delivered to the Federal Reserve that meet customer quality requirements (%) (Oe)

Definition:

A qualitative indicator reflecting the Bureau's ability to provide a quality product. All notes delivered to the Federal Reserve go through rigorous quality inspections. These inspections ensure that all counterfeit deterrent features, both overt and covert are functioning as designed.

How Data is Captured:

Quality inspections are performed at each Federal Reserve Bank. Any discrepancies found are reported to BEP on a per shipment basis.

How Data is Verified and Validated to Make Certain it is Accurate:

Quality review audits are performed by internal BEP auditors on all Federal Reserve inspection systems as well as the procedures followed in reporting data to BEP. These audits are conducted on an annual basis with additional audits performed upon request by Federal Reserve Banks.

Data Accuracy:

Reasonable

Data Frequency:

Quarterly

Budget Activity: Protection and Accountability of Assets

Performance Measure: Currency shipment discrepancies per million notes (\$) (Oe)

Definition:

A qualitative indicator reflecting BEP's ability to provide effective product security and accountability. This measure refers to product overages or underages of as little as a single currency note in shipments of finished notes to the Federal Reserve Banks.

How Data is Captured:

The customer captures this data and report to BEP on a monthly basis.

How Data is Verified and Validated to Make Certain it is Accurate:

BEP reports product discrepancy data based on monthly information provided by the customer.

Data Accuracy:

Reasonable

Data Frequency:

Quarterly

Performance Measure: Security costs per 1000 notes delivered (\$) (E)

Definition:

An indicator reflecting the cost of providing effective and efficient product security and accountability. This standard is developed annually based on the past year's cost performance and anticipated cost increases. The formula used to calculate this measure is the total cost fo security deivided by the number of notes produced divided by 1000.

How Data is Captured:

Cost data is collected through BEP's accrual-based cost accounting system. This standard is developed annually based on the past year's cost performance and anticipated cost increases.

How Data is Verified and Validated to Make Certain it is Accurate:

BEP's accrual-based cost accounting system is audited annually as part of the financial statement audit.

Data Accuracy:

Reasonable

Data Frequency:

Quarterly

Key: Oe - Outcome Measure, E - Efficiency Measure, Ot - Output/Workload Measure