



PARs and SEA Reports

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What is a PAR?

Federal agency's annual report

- Reports program accomplishments and management of resources
- Integrates performance and financial information



Why Do We Have PARs

- ◆ **Authorized by Reports Consolidation Act**
- ◆ **Required by OMB**
 - 10/18/22 Memorandum
 - Circular A-136
- ◆ **Accountability for Tax Dollars Act**

What Really is a PAR?

- ◆ Agency Head Message
- ◆ Management Discussion and Analysis
- ◆ Performance Section
- ◆ Financial Section



What is the CEAR Program?

- ◆ **Review Federal agencies' Performance and Accountability Reports**
 - Recommend improvements
 - Present awards to the best
- ◆ **Provide education for preparers**
- ◆ **Enhance AGA's visibility**



How Does the CEAR Program Work

- ◆ Train the preparers
- ◆ Train the reviewers
- ◆ Complete review guidelines
- ◆ Participate in review meetings
- ◆ Provide recommendations
- ◆ Award certificates



What Do We Look For

- ◆ **Agency head letter**
 - **Comprehensive and Informative**
 - **Challenges**
 - **Necessary assurances**





What Do We Look For (cont.)

◆ Management's Discussion and Analysis

- Highlights of “most important” performance goals & results
- Status of internal control
- Demands, risks, uncertainties, etc/
- Analysis of financial statements
- President's Management Agenda
- Improper payments summary

What Do We Look For (cont.)

◆ Performance Section

- Descriptions of 1) content of presentation and 2) performance measurement structure
- Targets and prior year results
- Explanations of unmet targets and plans for achieving
- PART actions status
- Evaluation findings & recommendations





What Do We Look For (cont.)

◆ Financial Section

- Chief Financial Officer's letter's candor
- Auditors' report conforms with requirements
- Financial Statements & footnotes conforms with requirements
- IG's summary of challenges focuses on challenges and agency's actions

What is Creative

- ◆ **Summary reports and CD-ROMs**
- ◆ **Explaining how agency benefits the public**
- ◆ **Internet addresses of components, other frequently used sites, & publications**
- ◆ **Names and phone numbers of persons to contact for additional information**
- ◆ **Four-year rolling averages**



What Needs Addressing

- ◆ Excessive length
- ◆ Absence of balance
- ◆ Management and performance challenges
- ◆ Paucity of efficiency/cost-effectiveness measures
- ◆ Chief Financial Officer Letter
- ◆ RSSI investments





The Past Year's Results

- ◆ Department of Education
- ◆ Department of Interior
- ◆ Department of Labor
- ◆ Department of State
- ◆ Nuclear Regulatory Agency
- ◆ Social Security Administration
- ◆ Federal Aviation Administration
- ◆ Patent and Trademark Office
- ◆ Government Accountability Office

History of the SEA Reports

- ◆ FASB's initial study
- ◆ GASB's initial projects and concepts statements
- ◆ Sloan Foundation grant
- ◆ GASB's suggested criteria





GASB's Suggested Criteria

- ◆ **The external report on performance**
- ◆ **The performance information to support**
- ◆ **Communication of the performance information**



The External Report on Performance

- ◆ Purpose and scope
- ◆ Major goals and objectives statement
- ◆ Involvement in establishing goals and objectives
- ◆ Multiple levels of reporting
- ◆ Analysis of results and challenges
- ◆ Focus on key measures
- ◆ Reliable information



The performance information to support

- ◆ Relevant measures of results
- ◆ Resources used and efficiency
- ◆ Citizen and customer perceptions
- ◆ Comparisons for assessing performance
- ◆ Factors affecting results
- ◆ Aggregation and disaggregation of information
- ◆ Consistency

Communication of the performance information

- ◆ Easy to find, access, and understand
- ◆ Regular and timely reporting



AGA's Certificate for SEA Reporting

- ◆ **Review guidelines**
 - Based on GASB's 16 criteria
- ◆ **Review teams**
 - 2 persons plus one--me
- ◆ **Train reviewers**
- ◆ **Review reports individually;
discuss collectively**
- ◆ **Present recommendations &
results**



A Sample Rubric

Rubric for Criterion No. 1

- No statement of purpose or scope-**0 points**
- Purpose and/or scope presented,
 - but purpose is other than presenting performance information to public and/or scope is significantly smaller than major programs and services-**1 point**
- Both purpose and scope presented, and
 - purpose is performance information for the public
 - scope covers major programs and service; is consistent with report-**2 points**
- Both purpose and scope presented, and
 - Purpose is performance information for the public plus.
 - scope covers major programs and services; rationale and percent of spending presented; is consistent with report-**3 points**

The Past Year's Results

- ◆ 26 reports reviewed
- ◆ 10 Certificates awarded
 - Bellevue, WA
 - Charlotte, NC
 - Des Moines, IO
 - Kansas City, MO
 - King County, WA
 - Oklahoma HCA
 - Palo Alto, CA
 - Portland, OR
 - Prince William Cty., VA
 - Saco, ME

