

Bureau of Public Debt /S&E

Performance Plans for FY2002 and FY2003

Actual Performance Figures are in **bold**, Final Targets are in plain text, and Proposed Targets are *italicized*.

Targets which were not met are shown in red.

Mission: The mission of Public Debt is to borrow the money needed to operate the Federal Government and to account for the resulting debt.

Budget Activity: Savings Securities

Function: Savings Securities includes the issuing, servicing, and retiring of savings securities, as well as the promotional activity designed to increase the sale and retention of savings securities. Series EE Savings Bonds constitute the major workload. Series EE consists of small denomination bonds sold in large volume and registered in the owner's name. We accomplish savings bond promotion by coordinating the direct participation of American business, labor, banking, the media, and community groups. The cost of financing the public debt is reduced by replacing marketable borrowing with less costly borrowing through increased sales and longer retention of savings bonds.

Performance Goal:

Provide quality service to purchasers of savings bonds.

<u>Performance Measure(s):</u>	FY1999 Actual	FY2000 Actual	FY2001 Actual	FY2002 Final Plan	FY2003 Proposed Plan
View Definition and Validation Issue 95% of over-the-counter savings bonds in 3 weeks	99.75%	99.07%	99.97%	99.95%	<i>99.95%</i>
View Definition and Validation Complete 90% of customer service transactions within 3 weeks				90%	<i>90%</i>

Budget Activity: Marketable Securities

Function: Marketable Securities includes the issuing and servicing of marketable and special purpose Treasury securities which make up 97 percent of the outstanding public debt. All marketable securities are issued in book entry form to a broad spectrum of investors including private citizens, corporate and foreign investors, and state and local governments. Investors in Treasury marketable securities can hold their securities in one of two book entry systems. TreasuryDirect allows investors to hold securities directly with Public Debt, without requiring the services of an intermediary. The Commercial Book Entry System, on the other hand, is designed for investors who wish to have their securities held in accounts at the custodians of their choosing.

Performance Goal:

Meet the borrowing needs of the Federal Government.

	FY1999 Actual	FY2000 Actual	FY2001 Actual	FY2002 Final Plan	FY2003 Proposed Plan
<u>Performance Measure(s):</u>					
View Definition and Validation Conduct 100% of marketable securities auctions without error	100%	100%	100%	100%	<i>100%</i>

View Definition and Validation Announce auction results within 25 minutes 95% of the time				95%	<i>95%</i>
--	--	--	--	-----	------------

Performance Goal:

Provide quality service to investors in Treasury marketable securities.

	FY1999 Actual	FY2000 Actual	FY2001 Actual	FY2002 Final Plan	FY2003 Proposed Plan
<u>Performance Measure(s):</u>					
View Definition and Validation Complete 90% of TREASURY DIRECT customer service transactions in three weeks	98.32%	96.97%	99.7%	90%	90%
View Definition and Validation Make 100% of Treasury Direct interest and redemption payments timely	100%	100%	100%	100%	100%
View Definition and Validation Make 99.9% of TreasuryDirect interest and redemption payments accurately	100%	100%	100%	99.9%	99.9%

View Definition and Validation Process 100% of Government Securities Investment Program transactions timely	100%	100%	100%	100%	<i>100%</i>
---	-------------	-------------	-------------	------	-------------

View Definition and Validation Process 99.9% of Government Securities Investment Program transactions accurately	99.9%	99.98%	99.99%	99.9%	<i>99.9%</i>
--	--------------	---------------	---------------	-------	--------------

View Definition and Validation Make 100% of Commercial Book Entry interest and redemption payments timely and accurately	100%	100%	100%	100%	<i>100%</i>
---	-------------	-------------	-------------	------	-------------

[Return to Main Report](#)

Performance Measure

Issue 95% of over-the-counter savings bonds in 3 weeks

Definition and Validation

Definition: Our customers can purchase savings bonds directly from more than 40,000 financial institution locations throughout the country. Our goal is to mail 95 percent of these over-the-counter bonds to customers within three weeks of purchase.

Verification and Validation: Five Federal Reserve Banks process purchase orders for savings bonds. They use automated systems to measure the time it takes to complete purchase transactions. These systems count the number of days between the date a customer submits a purchase order and the date the bond is printed and mailed. Each Bank submits a monthly report to Public Debt where the information is reviewed and a summary report printed showing year-to-date performance.

Data Accuracy: Reasonable accuracy

[Return to Main Report](#)

Performance Measure

Complete 90% of customer service transactions within 3 weeks

Definition and Validation

Definition: Savings bonds have been sold for more than 60 years. Our customer service goal is to provide timely customer service by completing 90 percent of customer transactions within three weeks. These transactions include providing requested forms, information, and assistance; processing account changes; and reissuing savings bonds to reflect new ownership or to replace bonds that have been lost or stolen. For the convenience of our customers, we complete transactions by mail, telephone, fax, and/or email. This Performance Measure replaced Performance Measure 2 under Performance Goal A in FY 2002.

Verification and Validation: Each Division in Public Debt's Office of Investor Services has a workload or casefile tracking system which measures the length of time it takes to complete customer service transactions. Times are measured from the date such transactions are received to the date they are completed. Divisions prepare weekly reports which are recorded in a PC application that totals the data and generates an Office-wide report. Twice a year, the accuracy of system-generated data is cross-checked by manual counts.

Data Accuracy: Reasonable accuracy

[Return to Main Report](#)

Performance Measure

Conduct 100% of marketable securities auctions without error

Definition and Validation

Definition: Public Debt conducts approximately 160 auctions a year, receives more than \$8 trillion in bids, and issues more than \$2 trillion of securities to finance government operations. The integrity of the auction process is paramount to the successful conduct of our financing operations. The Treasury securities market expects that the auctions will be conducted flawlessly and that the results will always be accurate. Our objective is to never make an error that would require Treasury to amend its auction results.

Verification and Validation: Numerous manual and automated methods and procedures are used in every auction to systematically verify that all bid information is valid, properly and timely processed, accurately calculated and included in the press release results.

Data Accuracy: Reasonable accuracy

[Return to Main Report](#)

Performance Measure

Announce auction results within 25 minutes 95% of the time

Definition and Validation

Definition: Treasury securities are broadly distributed to all financial markets throughout the world. To maintain an efficient market for Treasury securities and to minimize uncertainty in these markets, it is crucial that our securities auctions be completed and the results announced as quickly as possible. Our goal is to announce auction results within 25 minutes of close of the auction 95 percent of the time.

Verification and validation: For every auction, performance is measured from the auction close to the time the results are

available on the financial wire services. Both the auction close time and posting times are validated against the US Naval Observatory Master Clock.

Data Accuracy: Reasonable accuracy

[Return to Main Report](#)

Performance Measure

Complete 90% of TREASURY DIRECT customer service transactions in three weeks

Definition and Validation

Definition: We are responsible for providing quality customer service to approximately 800,000 TREASURYDIRECT investors who have purchased Treasury bills, notes and bonds. Investor transaction requests vary from straightforward account changes to complex changes in ownership.

Verification and Validation: Data for this measure is captured by the bureau's Automated Tracking System, which enables us to track inquiries from the time of receipt until a response is sent to the investor. The system provides reports which allow us to determine the turnaround times achieved. The bureau performs periodic reviews to ensure that the location of the physical records are consistent with the reported location of the records in the tracking system.

Data Accuracy: Reasonable accuracy

[Return to Main Report](#)

Performance Measure

Make 100% of Treasury Direct interest and redemption payments timely

Definition and Validation

Definition: Our customers invest in Treasury securities with the expectation that the U.S. Government will make payments when due. Timely payments bolster investor confidence and ensure the Treasury securities remain an attractive investment option. Our goal is to make 100 percent of TREASURYDIRECT interest and redemption payments timely.

Verification and Validation: Automated controls and reports are in place to ensure prompt payment processing. Payment processing schedules are prepared for each payment and compared to system-generated reports.

Data Accuracy: Reasonable Accuracy

[Return to Main Report](#)

Performance Measure

Make 99.9% of TreasuryDirect interest and redemption payments accurately

Definition and Validation

Definition: As custodians of our TREASURYDIRECT customers' investments, it is our job to correctly calculate and deliver payments to them. Virtually all of our payments are calculated automatically by our automated systems. Our goal is to make 99.9 percent of interest and redemption payments accurately.

Verification and Validation: Each payment is audited and the results are validated to various expected results from system-generated reports. Payment accuracy is monitored by an internal tracking system and overall calculations are validated by accounting controls.

Data Accuracy: Reasonable accuracy

[Return to Main Report](#)

Performance Measure

Process 100% of Government Securities Investment Program transactions timely

Definition and Validation

Definition: Federal Program Agencies contact us daily to request investments and redemption for more than 200 trust and deposit funds that participate in the Federal Government Securities Investment Program. The Office of Public Debt Accounting currently receives requests via fax transmission from agencies.

Verification and Validation: Quarterly production reports presenting timeliness of transactions are prepared. To ensure validity and verify the data, results are compared and reconciled with other internal production reports.

Data accuracy: Reasonable Accuracy

[Return to Main Report](#)

Performance Measure

Process 99.9% of Government Securities Investment Program transactions accurately

Definition and Validation

Definition: Federal Program Agencies contact us daily to request investments and redemption for more than 200 trust and deposit funds that participate in the Federal Government Securities Investment Program. The Office of Public Debt Accounting currently receives requests via fax transmission from agencies.

Verification and Validation: Quarterly production reports presenting timeliness of transactions are prepared. To ensure validity and verify the data, results are compared and reconciled with other internal production reports.

Data accuracy: Reasonable Accuracy

[Return to Main Report](#)

Performance Measure

Make 100% of Commercial Book Entry interest and redemption payments timely and accurately

Definition and Validation

Definition: More than \$3 trillion of Treasury's outstanding debt is maintained in accounts on the Commercial Book Entry system. The operations and computer systems that comprise the commercial book entry system annually make interest and redemption payments totaling approximately \$2.3 trillion. Owners of these securities expect and rely on receiving their payments when they are due. Over 300,000 interest and redemption payments totaling \$2.3 trillion a year are made through Treasury's Commercial Book Entry system. Billions of dollars in transactions affecting payments can occur up to close of business the day prior to payment date. Our customers rely on the commercial book entry system to credit their accounts at the opening of business on the payment day.

Verification and Validation: Summary public debt accounting systems detect late payments and independently verifies the accuracy of these payments by comparing expected payments with those made reported by the National Book Entry System. Discrepancies would indicate late or inaccurate payments.

Data Accuracy: Reasonable accuracy

