

# Auditor Roles in Performance Measurement

**Government Performance Reporting Guidance for Government Entities in the United States from the Governmental Accounting Standards Board (GASB) for State & Local Governments and the U.S. Office of Management & Budget (OMB) for Federal Government Agencies (skip to [OMB Guidance](#))**

## Outline of the GASB's Suggested Guidelines for Voluntary Reporting: SEA Performance Information (2010)

Definition of SEA: Service Efforts and Accomplishments, i.e., public service performance

- **Essential Components of SEA Reports**
  - Purpose and scope
  - Major goals and objectives
  - Key Measures of SEA Performance
  - Discussion & Analysis of Results & Challenges
- **Qualitative Characteristics of SEA Performance Information**
  - Relevance
  - Understandability
  - Comparability
  - Timeliness
  - Consistency
  - Reliability
- **Effective Communication**
  - Intended Audiences
  - Multiple Levels of Reporting
  - Forms of Communication

Go to the "GASB Store" online to purchase the [FULL REPORT](#) with explanations of all guidelines. If that direct link does not work, go to [www.gasb.org](http://www.gasb.org) and click on "GASB Store." Then click on "Suggested Guidelines." GASB also takes telephone orders at 1-800-748-0659, ask for Product Code No. GSG01.

**The Auditor Roles Project suggests that auditors also consider using the GASB's more detailed 2003 "Suggested Criteria" for performance reporting.**

All of the above 2010 Suggested Guidelines are included in the Suggested Criteria, and more (e.g., on efficiency and on aggregation and disaggregation of data). So auditors may want to consult the 2003 material when developing the criteria they will use to assess a government performance report.

**Free downloads from AuditorRoles.org from the 2003 Suggested Criteria:**

- Details of all criteria, with examples: "[Chapter 6: Suggested Criteria](#)" (PDF, 26 MB) of *Special Report: Reporting Performance Information: Suggested Criteria for Effective Communication*
- Summary descriptions of all criteria: [Special Report Summary](#) (PDF)

**See next page for an Outline of the GASB's 2003 Suggested Criteria.**

## Outline of the GASB's *Suggested Criteria for Effective Communication of Performance Information* (2003)

- **The External Report on Performance Information**
  1. Purpose and scope
  2. Statement of major goals and objectives
  3. Involvement in establishing goals and objectives
  4. Multiple levels of reporting
  5. Analysis of results and challenges
  6. Focus on key measures
  7. Reliable information
- **The Performance Information to Report**
  8. Relevant measures of results
  9. Resources used and efficiency
  10. Citizen and customer perceptions
  11. Comparisons for assessing performance
  12. Factors affecting results
  13. Aggregation and disaggregation of information
  14. Consistency
- **Communication of the Performance Information**
  15. Easy to find, access, and understand
  16. Regular and timely reporting

See previous page for links to free downloads from AuditorRoles.org for more details on these criteria.

See next page for an outline and links to selected OMB guidance for U.S. Federal Government Agencies.

**OMB Guidance for U.S. Federal Agencies for Performance Reporting Required by the GPRA Modernization Act of 2010** (from OMB Website as of 10/5/2012)

**Outline of Selected Guidance Auditors Should Find Useful for Assessing Agency Performance Reporting**

For full guidance, see [OMB Circular A-11](#) Part 6 Sections 210 & 260 (source of this outline)

**Content Required (Annual except where noted) from OMB Guidance: Circular A-11 Part 6 Section 210:**

1. Agency & Mission Information
2. Cross-agency Priority Goals (Annual & Quarterly)
3. Strategic Goals
4. Strategic Objectives
5. Agency Priority Goals (Annual & Quarterly)
6. Performance Goals & Indicators
7. Other Indicators
8. Other Information

**Outline of OMB Guidance that May Be Especially Useful as Audit Criteria: Circular A-11 Part 6 Section 210:**

**4. Strategic Objectives**

4.8 Progress in resolving major management challenges

**5. Agency Priority Goals (APGs) (Annual & Quarterly)**

5.4-5.5 APG Indicators & Progress Update with explanation

5.9 External factors affecting APG achievement

**6. Performance Goals & Indicators**

6.2 Actual Results vs. Targets

6.4 Performance Indicator Information Gaps

6.5 Progress Update with causes of variance or trend changes

6.6 Performance Goal Future Action

6.7 Changed Performance Goals

**8. Other Information**

8.2 Cross-agency Collaborations

8.3 Evaluations & Research: Describe relevant findings

**More from OMB Guidance that Can Be Useful as Audit Criteria: Circular A-11 Part 6 Section 260:**

**Assessing the Completeness, Reliability, & Quality of Performance Data**

In transmittal letter of annual performance report:

- Assessment by agency head of completeness & reliability of performance data presented
- Agency plans to improve completeness, reliability, & quality of data where needed

Agency may include a data verification or validation appendix or provide data quality information on a website.

**For more OMB guidance to agencies on implementing the GPRA Modernization Act of 2010 and improving federal performance and accountability, see all of [Circular A-11](#) Part 6 and the following OMB Memoranda:**

- **M 10-24** - Performance Improvement Guidance: Management Responsibilities and Government Performance and Results Act Documents (Find link at [Memoranda 2010](#))
- **M 11-17** – Delivering on the Accountable Government Initiative and Implementing the GPRA Modernization Act of 2010 (Find link at [Memoranda 2011](#))
- **M 11-31** – Developing an efficient, effective and accountable government (Link at [Memoranda 2011](#))