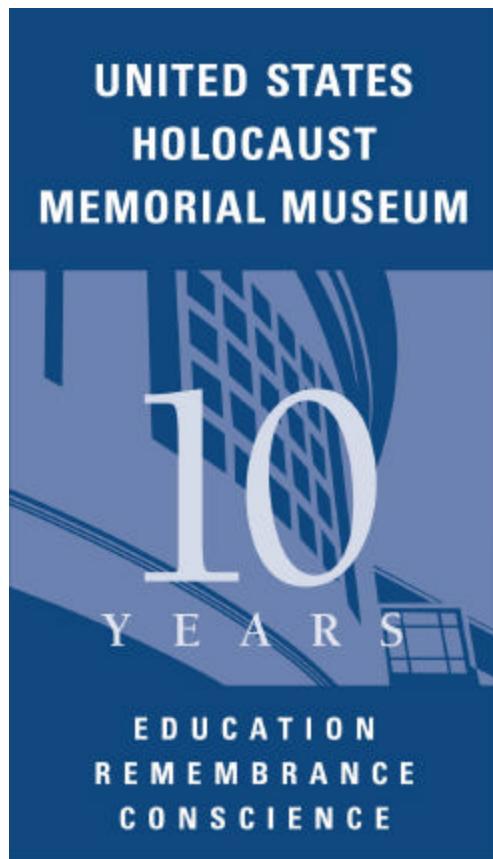


PERFORMANCE & ACCOUNTABILITY

REPORT

FISCAL YEAR 2004

October 1, 2003 — September 30, 2004



November 1, 2004

PERFORMANCE AND ACCOUNTABILITY REPORT

Fiscal Year 2004

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Message from the Director

When the Museum opened eleven years ago, its founders understood that it presented important truths about human nature. They knew that its message was timeless, but they could not have imagined that a decade later that message would also be so timely.

In a world with increasing ethnic violence and extremism, rising antisemitism, and continuing genocide, our work has never been more pertinent or more urgent. We believe that our programs for teachers, law enforcement officers, the military, the clergy and concerned citizens nationwide help people understand the powerful lessons that history holds for our own times.

Through its on-site visitors, outreach activities, and Web site, the Museum is reaching millions of Americans each year with these lessons, which are simple, stark, and important: evil is not eradicable; indifference has consequences; freedom requires responsibility. Inspired by the survivors, challenged by our times, and gratified by the continued high demand for our programs, the Museum will continue in Fiscal Year 2005 to bring these lessons to millions more.



Sara J. Bloomfield

Director

Statement of Assurance

I, Sara J. Bloomfield, Director of the United States Holocaust Memorial Museum, state and assure that to the best of my knowledge:

- (1) The system of internal controls of this agency is functioning and provides reasonable assurance as to the: efficiency and effectiveness of programs and operations, reliability of financial performance information, and compliance with laws and regulations. These controls satisfy the requirements of the *Federal Managers Financial Integrity Act*.
- (2) The financial management systems of this agency provide reasonable assurances that: obligations and costs are in compliance with applicable law; performance data and proprietary and budgetary accounting transactions applicable to the agency are properly recorded and accounted for to permit the timely preparation of accounts; reliable performance information, and to maintain accountability for the assets. The financial control at this agency satisfies the requirements of the *Federal Managers Financial Integrity Act*.
- (3) The system of internal controls of this agency that relates to the security of financial management systems and performance and other financial data provide protections commensurate with the risk and magnitude of harm resulting from the loss, misuse, or unauthorized access and satisfy the requirements of section 5131 of the *Clinger-Cohen Act* of 1996; sections 5 and 6 of the *Computer Security Act*; and section 3533(D)(2) of the *Government Information Security Reform Act*.
- (4) The financial management systems of this agency provide this agency with reliable, timely, complete, and consistent performance and other financial information to make decisions, efficiently operate and evaluate programs, and satisfy the requirements of the *Federal Financial Management Improvement Act* section 803(a), the *Government Performance and Results Act*, and OMB circular No. A-11 Preparation and Submission of Budget Estimates. A remediation plan under *FMFIA* is not required.
- (5) There are no material weaknesses reported.



Sara J. Bloomfield

Director

Message from the Chief Financial Officer

I am pleased to present the United States Holocaust Memorial Museum's Fiscal Year 2004 *Performance and Accountability Report* which presents both financial and performance information on the Museum's operations in a combined report for the fiscal year ending September 30, 2004. This report satisfies the reporting requirements for the following:

- *Accountability of Tax Dollars Act of 2002*
- *Reports Consolidation Act of 2000*
- *Government Management Reform Act of 1994*
- *Government Performance and Results Act of 1993*
- *Chief Financial Officers Act of 1990*
- *Federal Managers' Financial Act of 1982*

The Museum received an unqualified opinion on its consolidated financial statements for Fiscal Year 2004. These statements fully account for both the Federal and non-appropriated funds.

In the past year, we continued efforts to refine and improve the Museum's consolidated financial system continued with the goal of providing Museum managers, Council members, Federal oversight officials, and the general public with timely, accurate, and useful financial information. Significant financial management achievements of the past year include:

- Expansion and improvement of the Museum's Web-based financial reporting
- Implementation of invoice and voucher imaging with on-line access
- Migration of the Museum's financial system to a new hardware platform which not only fully stabilized the system for future years but also significantly improved the response performance of the system
- Full implementation of recommended financial system security controls
- Integration of Central Contractor Registration (CCR) with the Museum's financial system to capture current vendor information from the CCR, ensuring compliance with Internal Revenue Service 1099 reporting requirements.

We continue to remain committed to providing the Museum with the highest levels of financial management services and ensuring the efficiency, economy, and effectiveness of the Museum programs and activities.

John C. Fawsett



Chief Financial Officer
United States Holocaust Memorial Museum

PROGRAM PERFORMANCE REPORT

Mission Statement

The United States Holocaust Memorial Museum (USHMM) is America's national institution for the documentation, study, and interpretation of Holocaust history, and serves as this country's memorial to the millions of people murdered during the Holocaust.

The Holocaust was the state-sponsored, systematic persecution and annihilation of European Jewry by Nazi Germany and its collaborators between 1933 and 1945. Jews were the primary victims – six million were murdered; Gypsies, the handicapped, and Poles were also targeted for destruction or decimation for racial, ethnic, or national reasons. Millions more, including homosexuals, Jehovah's Witnesses, Soviet prisoners of war, and political dissidents, also suffered grievous oppression and death under Nazi tyranny.

The Museum's primary mission is to advance and disseminate knowledge about the unprecedented tragedy of the Holocaust; to preserve the memory of those who suffered; and to encourage its visitors to reflect upon the moral and spiritual questions raised by the events of the Holocaust as well as their own responsibilities as citizens of a democracy.

Chartered by a unanimous Act of Congress in 1980 and located adjacent to the National Mall in Washington, D.C., the Museum strives to broaden public understanding of the history of the Holocaust through multifaceted programs: exhibitions; research and publication; collecting and preserving material evidence, art, and artifacts related to the Holocaust; annual Holocaust commemorations known as Days of Remembrance; distribution of educational materials and teacher resources; and a variety of public programming designed to enhance understanding of the Holocaust and related issues, including those of contemporary significance.

Mission Goals

- ◆ Serve as the nation's pre-eminent institution for Holocaust education and remembrance
- ◆ Serve as the world's premiere repository for Holocaust-related artifacts and archival collections
- ◆ Serve as the world's pre-eminent center for scholarly research of the Holocaust
- ◆ Provide the necessary infrastructure to accomplish the programmatic mission of the Museum and to meet all applicable regulatory and legislative requirements

Use of Non-Federal Parties

The United States Holocaust Memorial Museum is a public-private partnership and as such employs staff with both appropriated and non-appropriated funds. Both Federal and non-appropriated employees contribute to accomplishing the mission of the Museum and subsequently to the content of this report. No outside contractors were used to prepare the report.

Impact of FY 2004 Results on Future Performance Plans

The FY 2005 and FY 2006 performance plans are substantially different from the FY 2004 plan due to a major revision to the Strategic Plan. The new plans incorporate numerous improvements to form and content, as well as being based on the Museum's strategic plan for its second decade. Other revisions that become necessary due to the outcomes of FY 2004 and progress made in FY 2005 will be incorporated into future performance plans.

Format of the Performance Report

The performance report for the FY 2004 plan mirrors the format used for presentation of the annual plan. The elements contained in the report are as specified in guidance issued by the Office of Management and Budget in circular A-11. Required elements of the report are identified below:

Comparison of actual performance with projected level of performance – This information is contained in the “Results” section of the report for each indicator for each performance objective.

Explanation of reasons for unmet objectives – This information, where required, is identified in the results descriptions.

Description of plans to meet unmet objectives in the future – The FY 2005 and future performance plans address any plans to extend unmet objectives into the future.

Evaluation of FY 2005 performance plan – This information is contained under “Impact of FY 2004 Results on Future Performance Plans.”

AVAILABILITY OF ADDITIONAL INFORMATION

Additional information about the FY 2004 accomplishments and about the programs and public resources of the United States Holocaust Memorial Museum is available through the following means:

The USHMM Web site at <http://www.USHMM.org>

James Gaglione, Budget Officer, 202.314.0336; jgaglione@ushmm.org

SUMMARY ANNUAL PERFORMANCE REPORT

GOAL: SERVE AS THE NATION'S PRE-EMINENT INSTITUTION FOR HOLOCAUST EDUCATION AND REMEMBRANCE

Major objectives:

- Provide basic visitor services in the Museum
- Extend the impact of the Permanent Exhibition *The Holocaust* (PE) (consists of five sub-objectives)
- Provide core family programming in the Museum
- Provide interpretive programs targeted to families
- Engage new audiences in Days of Remembrance (two sub-objectives)
- Effectively use the Committee on Conscience (COC) to respond to contemporary genocide
- Create the concept for an Institute for Holocaust Education (two sub-objectives)
- Develop a national initiative on Holocaust education and civic responsibility (two sub-objectives)
- Re-conceive and redesign the Wexner Learning Center as a major technological endeavor to enhance the on-site experience and outreach to targeted audiences (three sub-objectives)

Status of objectives:

Met or exceeded targets	7	39%
Partially met targets	5	28%
Extended or deferred	3	17%
Canceled		
Could not evaluate*	3	17%

*Lack of specific target values made evaluation of results against “met/not-met” scale impossible but significant results were achieved.

GOAL: SERVE AS THE WORLD'S PREMIERE REPOSITORY FOR HOLOCAUST-RELATED ARTIFACTS AND ARCHIVAL COLLECTIONS

Major objectives:

- Seek additional funding of \$5 million over ten years to supplement baseline \$5 million over the same period
- Acquire 250 items for rotation in the PE by FY 2006
- Acquire one million pages of archival material per year for ten years

Status of objectives:

Met or exceeded targets	2	66%
Partially met targets	1	34%
Extended or deferred		
Canceled		
Could not evaluate		

GOAL: SERVE AS THE WORLD'S PRE-EMINENT CENTER FOR SCHOLARLY RESEARCH OF THE HOLOCAUST

Major objectives:

- Rescue the evidence of Holocaust history
- Shape the emerging field of Holocaust studies to promote its excellence and vitality (consists of four sub-objectives)

Status of objectives:

Met or exceeded targets	5	100%
Partially met targets		
Extended or deferred		
Canceled		
Could not evaluate		

GOAL: PROVIDE THE NECESSARY INFRASTRUCTURE TO ACCOMPLISH THE PROGRAMMATIC MISSION OF THE MUSEUM AND TO MEET ALL APPLICABLE REGULATORY AND LEGISLATIVE REQUIREMENTS

Major objectives:

- Further tighten management practices (consists of four sub-objectives)
- Develop and implement electronic communications mechanisms to build and sustain relationships with key audiences and constituencies
- Maintain adequate security and facilities maintenance (consists of three sub-objectives)
- Undertake major fundraising efforts
- Address the President's management objectives

Status of objectives:

Met or exceeded targets	7	70%
Partially met targets	3	30%
Extended or deferred		
Canceled		
Could not evaluate		

DETAILED ANNUAL PERFORMANCE REPORT

SERVE AS THE NATION'S PRE-EMINENT INSTITUTION FOR HOLOCAUST EDUCATION AND REMEMBRANCE

Strategies to Achieve Mission Goals

- Provide basic visitor services in the Museum
- Extend the impact of the Permanent Exhibition *The Holocaust* (PE)
- Provide core family programming in the Museum
- Engage new audiences in Days of Remembrance (DOR)
- Effectively use the Committee on Conscience (COC) to respond to contemporary genocide
- Create the Institute for Holocaust Education
- Develop a national initiative on Holocaust education and civic responsibility
- Re-conceive and redesign the Wexner Learning Center

Activities & measures to implement strategies

Provide basic visitor services in the Museum

This strategy represents the continuing need to operate the Museum facility seven days per week for public access to the PE, special exhibitions, library, theaters, other Museum spaces, and to all public programs.

- Measure: visitation statistics; operating status daily and cumulatively of the Museum building
- **Results:** All standards for facility operation were met.

Visitation Statistics:

Fiscal Year	Visitors
1998	2,043,809
1999	1,821,886
2000	1,948,646
2001	1,991,105
2002	1,500,948
2003	1,339,535
2004	1,528,105

Extend the impact of the PE

Provide core family programming in the Museum

- Complete by FY 2007 the five-year retrofit project
 - Measure: percentage of project completed per year
 - **Results:** 15 of 44 subtasks completed (35 percent); Schedule extended through FY 2008
- Complete conservation of exhibition objects on priority list by end of FY 2005
 - Measure: percentage of objects conserved per year and cumulatively
 - **Results:** 60 percent treated
- Seek additional funding of \$2.2 million over four years for collections care
 - Measure: funds raised per year and cumulatively
 - **Results:** \$475,000 in FY04; \$620,000 cumulative
- Conduct a professional evaluation of the exhibition during FY 2004-2005
 - Measure: status of each phase of evaluation
 - **Results:** Contract awarded for three-phase evaluation; Phase I completed; Phase II @ 90 percent
- Develop Web site for the PE
 - Measure: there are numerous milestones and deliverables in the detailed project plan for this activity
 - **Results:** Conceptual development on schedule; funding needed

- Provide educational programming in conjunction with Museum exhibitions
 - Measure: number of programs and attendance
 - **Results:**
 - 8,000 attendees at 283 programs related to the PE
 - 1,605 attendees at 48 programs related to special exhibitions
 - 630 attendees at 27 programs related to *Remember the Children: Daniel's Story* and Wexner Learning Center
 - 2,500 attendees in 12 group programs
 - 700 secondary school teachers attended 20 workshops
 - 10,766 attendees at 225 workshops through partnership programs *Bringing the Lessons Home, Lift Every Voice, and Law Enforcement and Society*
- Provide interpretive programs targeted to families
 - Measure: number of programs and attendance
 - **Results:** 555 attendees in 25 programs

Engage new audiences in Days of Remembrance (DOR)

- Publish the DOR advertisement in one additional major newspaper per year
 - Measure: pass/fail
 - **Results:** Met
- Expand the DOR component of the Web site
 - Measure: there are numerous milestones and deliverables in the detailed project plan for this activity
 - **Results:** On schedule. Two components added to the Web site in FY 2004

Effectively use the Committee on Conscience (COC) to respond to contemporary genocide

- Integrate the work of the Committee on Conscience into Museum programs
 - Measure: Number of links to COC Web site; number of presentations that include COC speakers; number of Museum programs that include COC input
 - **Results:**
 - Issued Genocide Emergency declaration for the conflict in Darfur, Sudan
 - Exhibition on Raphael Lemkin is in planning stage for FY 2005
 - 496 participants in 15 programs on "Raising Consciousness"
 - 230 attendees for genocide panel discussion
 - 400 secondary school teachers provided copy of video produced by the COC
 - Piloted distance education program featuring the COC

Create the concept for an Institute for Holocaust Education

This is a long-term plan to bring greater focus and integration to the Museum's educational activities in order to increase impact and effectiveness through targeted programming for educators.

- Complete a written plan for the institute
 - Measure: status of written plan
 - **Results:** Completed
- Seek endowment funding of approximately \$50 million over ten years
 - Measure: funds raised per year and cumulatively
 - **Results:** Concept paper completed; baseline budget reallocated to fund interim priorities such as the new Wexner Learning Center while fundraising continues

Develop a national initiative on Holocaust education and civic responsibility

This is a long-term plan to leverage the Museum's moral impact through targeted programming for persons in positions of civic influence, such as law enforcement, members of the judiciary, and elected officials.

- Complete a written plan for the initiative
 - Measure: status of written plan
 - **Results:** Concept paper completed

- Seek endowment funding of approximately \$50 million over ten years
 - Measure: funds raised per year and cumulatively
 - **Results:** Baseline budget reallocated to fund interim priorities while fundraising continues

Re-conceive and redesign the Wexner Learning Center as a major technological endeavor to enhance the on-site experience and outreach to targeted audiences.

- Complete a written plan for the Wexner Learning Center and its programs
 - Measure: status of written plan
 - **Results:** Completed
- Contract for project design and implementation plan
 - Measure: status of design contract
 - **Results:** Completed construction of interim Wexner Learning Center May 2004
- Seek \$5 million for one-time costs and \$1 million in annual support
 - Measure: funds raised per year and cumulatively
 - **Results:** Proposal submitted, pending decision by potential donor.

SERVE AS THE WORLD'S PREMIERE REPOSITORY FOR HOLOCAUST-RELATED ARTIFACTS AND ARCHIVAL COLLECTIONS

Strategy to Achieve Mission Goals

- Rescue the evidence of the Holocaust

Activities and measures to implement strategy

- Seek additional funding of \$5 million over ten years to supplement baseline \$5 million over the same period
 - Measure: funds raised per year and cumulatively
 - **Results:** Partially met, but specific figures not available in time for report
- Acquire 250 items for rotation in the PE by FY 2006
 - Measure: cumulative number of items acquired
 - **Results:**

	2003	2004	Cumulative
Total items acquired	1,943	2,682	4,625
Items for PE rotation	194	268	462

- Acquire one million pages of archival material per year for ten years
 - Measure: number of pages acquired per year and cumulatively
 - **Results:**

	2003	2004	Cumulative
Archival documents (pages) acquired	4,000,000	3,500,000	7,500,000
Documents made accessible	1,249,500	1,007,450	2,256,950

SERVE AS THE WORLD'S PRE-EMINENT CENTER FOR SCHOLARLY RESEARCH OF THE HOLOCAUST

Strategies to Achieve Mission Goals

- Rescue the evidence of Holocaust history
- Shape the emerging field of Holocaust studies to promote its excellence and vitality

Activities and measures to implement strategies

Rescue the evidence of Holocaust history

The rescue of archival material is central to the Museum's ability to support scholarship. Activities associated with this strategy are presented under the previous mission goal for collections.

Shape the emerging field of Holocaust studies to promote its excellence and vitality

- Complete the initial volumes of an encyclopedia of Nazi killing centers, camps, ghettos, and other detention sites by FY 2008
 - Measure: Number of volumes published and status of those in production
 - **Results:** Volume I at publisher; Volume II in progress (42 percent of entries assigned to scholars); Volume III and IV in planning stages
- Seek \$8 million in endowments over the next ten years to support scholarly research and archival acquisitions
 - Measure: funds raised per year and cumulatively
 - **Results:** \$776,000 in new grant funding raised in FY 2004
- Conduct four symposia, or workshops during FY 2004
 - Measure: number of seminars and workshops conducted; attendance at seminars and workshops
 - **Results:** Exceeded: four teaching seminars; three research workshops; three Museum symposia; and one co-sponsored foreign conference; total of 1,011 attendees and participants
- Deliver 20-25 outreach presentations at colleges and universities
 - Measure: number of presentations; attendance at seminars
 - **Results:** Exceeded: 65 presentations; 1,950 attendees
- Host and provide support to 25-34 scholars and students during FY 2004
 - Measure: number of scholars supported and funding provided; number of programs or papers delivered by supported scholars; attendance at programs
 - **Results:** Met: 26 research fellowships and five graduate student assistantships awarded for a total of \$444,392

PROVIDE THE NECESSARY INFRASTRUCTURE TO ACCOMPLISH THE PROGRAMMATIC MISSION OF THE MUSEUM AND TO MEET ALL APPLICABLE REGULATORY AND LEGISLATIVE REQUIREMENTS

Strategies to Achieve Mission Goals

- Further tighten management and budget practices
- Develop and implement electronic communications mechanisms to build and sustain relationships with key audiences and constituencies
- Create a nationwide information campaign to educate the public about the meaning of the Holocaust for our lives today
- Maintain adequate security and facilities maintenance
- Undertake major fundraising efforts
- Address the President's management objectives

Activities and measures to implement strategies

Further tighten management practices

- Complete alignment of positions with strategic plan for 65 percent of positions by early FY 2004 and 100 percent by end of FY 2004
 - Measure: percentage of positions reviewed and aligned
 - **Results:** Exceeded. Initial review completed for 100 percent and 79 percent are aligned properly. Work will continue in FY 2005
- Revise performance standards for 50 percent of positions by mid-FY 2004 to link performance measurement to strategic plan
 - Measure: percentage of positions with revised performance standards
 - **Results:** Exceeded. 100 percent of position standards revised
- Prepare the FY 2004 operating plan using performance budgeting principles guided by the revised strategic plan
 - Measure: degree to which operating plan matches funding to performance objectives and clarity of linkage between budget and objectives
 - **Results:** Partial success through reprogramming funds from lesser to greater priorities; hampered by funding limitations
- Provide adequate administrative and financial management systems
 - Representative measures: timely production of financial reports; unqualified external audit; average time to complete recruitment actions; rate of computer system availability to users
 - **Results:**
 - Financial reports available in real-time via USHMM intranet
 - Administrative costs reduced by \$400,000

Develop and implement electronic communications mechanisms to build and sustain relationships with key audiences and constituencies

- Complete written plan for improved electronic outreach
 - Measure: status of written plan
 - **Results:** Written plan complete; potential donor of support funding identified

Maintain adequate security and facilities maintenance

- Specific security activities are confidential due to their sensitive nature
- Complete replacement of floor in special exhibition gallery
- Upgrade Museum theater sound and lighting
- Complete the window-replacement project in the Ross Administrative Center building
 - Measures common to all activities: status of project compared to completion
 - **Results:** Windows project completed August 2004; floor replacement coordinated with exhibition installation so deferred to FY 2006; theater sound upgrade completed

Undertake major fundraising efforts

- Seek 100 sponsorships totaling \$2 million to support the Museum's 10th anniversary
 - **Results:** Exceeded: raised over \$2.4 million
- Seek funding required to fulfill the strategic plan over the next decade
 - Measures common to all activities: funds raised per year and cumulatively
 - **Results:**
 - Fundraising goals for annual funds met (\$40 million in first two years)
 - Endowment campaign study completed and \$8.5 million raised in first two years

Address the President's management objectives

- Complete an institution-wide evaluation of staffing and make realignments as necessary to ensure that top mission priorities are adequately staffed
 - Measure: percentage of staffing evaluated and realigned
 - **Results:** Initial review completed for 100 percent and 79 percent are aligned properly. Work will continue in FY 2005
- Revise performance standards consistent with the strategic plan and initiate performance measures for every department
 - Measure: percentage of positions with revised performance standards; percentage of GPRA strategies for which department-level measures have been developed and are actively measured
 - **Results:** 100 percent of performance standards revised; Division-level measures in place and used for administrative divisions and in development for others
- Develop the Museum's PE story for Web site delivery
 - Measure: there are numerous milestones and deliverables in the detailed project plan for this activity
 - **Results:** Development underway but schedule delayed due to lack of funding
- Use the Museum's Web site to expand nationwide participation in the annual Days of Remembrance
 - Measure: there are numerous milestones and deliverables in the detailed project plan for this activity
 - **Results:** On schedule. Two components added to the Web site in FY 2004
- Complete the intensive revision of the Museum's strategic plan
 - Measure: status of strategic plan and GPRA submission
 - **Results:** Completed in the FY 2005 GPRA submission
- Prepare the FY 2004 operating plan using performance budgeting principles guided by the revised strategic plan.
 - Measure: degree to which operating plan matches funding to performance objectives and clarity of linkage between budget and objectives
 - **Results:** Partial success through reprogramming funds from lesser to greater priorities; hampered by funding limitations

United States Holocaust Memorial Museum

October 2004

