



Consensus Study Report

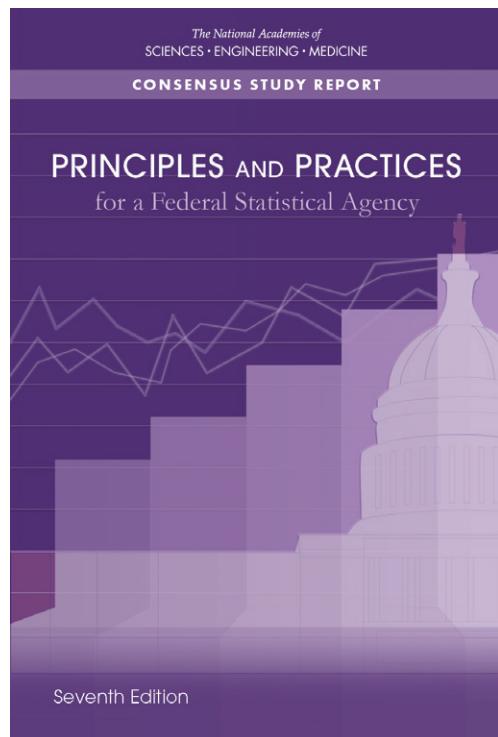
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HIGHLIGHTS

Principles and Practices for a Federal Statistical Agency, Edition 7

From its first edition in 1992 to this seventh edition, *Principles and Practices for a Federal Statistical Agency* is intended to support the invaluable role of widely available, trustworthy, relevant, accurate, and timely government statistics. Such statistics are essential not only for policy makers and program administrators at all governmental levels, but also for individuals, households, businesses, and other organizations to make informed decisions and for scientists to add to knowledge. Even more broadly, the effective operation of a democratic system of government depends on the unhindered flow of impartial, scientifically based statistical information to its citizens on a wide range of issues, including employment, growth in the economy, the cost of living, crime victimization, family structure, physical and mental health, educational attainment, energy use, and the environment.

In the United States, more than a dozen federal statistical agencies, including the Bureau of Labor Statistics and the U.S. Census Bureau, are the entities whose principal function is to collect, compile, analyze, and disseminate information for such statistical uses as monitoring key economic and societal indicators, allocating legislative seats and government funds, evaluating programs, and conducting scientific research. Although statistical agencies provide objective and impartial information that informs policy makers, they should not advocate policies or take partisan positions that would undercut public trust and the credibility of the statistics they produce.



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FIVE PRINCIPLES

Federal statistical agencies are coordinated by the U.S. Office of Management and Budget and are subject to government regulations and guidance, but their mission and contributions to the public good are best seen as resting on five well-established and fundamental principles, as follows:

Principle 1: Relevance to Policy Issues and Society

Federal statistical agencies must provide objective, accurate, and timely information that is relevant to important public policy issues. To provide relevant statistics needed by policy makers in Congress, the executive branch, and other users, statistical agencies must have a solid understanding of the public policy issues, federal programs, and information needs in their domains. To ensure they are providing relevant information, statistical agencies need to reach out to a wide range of their data users, including staff in their own department and other federal departments who use their data, members and staffs of Congress, state and local government agencies, academic researchers, businesses, and other organizations. However, statistical agencies should be careful not to become involved with policy development or implementation, as those activities could affect their ability (or the perception of their ability) to conduct impartial and objective statistical activities.

Principle 2: Credibility Among Data Users and Stakeholders

Federal statistical agencies must have credibility with those who use their data and information. The value of statistical agencies rests fundamentally on the accuracy and credibility of their data products. Because few data users have the resources to verify the accuracy of statistical information, users rely on an agency's reputation to disseminate high-quality, objective, and useful statistics in an impartial

manner. Agencies build and maintain respect and trust through clear public commitments to professional practice and transparency in all that they do, including informing users of the strengths and weaknesses of their data.

Principle 3: Trust Among the Public and Data Providers

Federal statistical agencies must have the trust of those whose information they obtain. Because virtually every person, household, business, state or local government, and organization is the subject of some federal statistics, public trust is essential for the continued effectiveness of federal statistical agencies. Individuals and entities providing data directly or indirectly to federal statistical agencies must trust that the agency is collecting information that serves a public purpose and that the agency will appropriately handle and protect their information. Federal statistical agencies not only have legal and ethical obligations that require them to fulfill these expectations, but also have the obligation to effectively communicate the value of the data they collect and the methods they use for obtaining and protecting them. An effective statistical agency has policies and practices to instill the highest possible commitment to professional ethics among its staff and builds a culture of the confidentiality of its data and respect for those who provide data.

Principle 4: Independence from Political and Other Undue External Influence

Federal statistical agencies must be independent from political and other undue external influence in developing, producing, and disseminating statistics. Statistical agencies must be impartial and execute their missions without being subject to pressures to advance any political or personal agenda. They must avoid even the appearance that their collection, analysis, and reporting processes might be manipulated for political or other purposes or that individ-

ually identifiable data might be obtainable for nonstatistical purposes. Only in this way can statistical agencies serve as trustworthy sources of objective, relevant, accurate, and timely information. Protection from undue outside influences requires that statistical agencies have authority to make professional decisions concerning their programs, including authority over the selection and promotion of staff; the processing, secure storage, and maintenance of data; and the timing and content of data releases, accompanying press releases, and documentation.

Principle 5: Continual Improvement and Innovation

Federal statistical agencies must continually seek to improve and innovate their processes, methods, and statistical products to better measure an ever-changing world. Federal statistical agencies and programs cannot be static but must continually work to create reliable information on new policy questions, adopt improvements in all aspects of their operations, and respond to user demands for more timely and granular information. An effective statistical agency not only seeks out and evaluates potential new data sources that could provide useful information, but also tests and implements new methods to enhance the cost-effectiveness of its data collection, processing, and dissemination processes. It works closely with its data users to identify potential new statistical products that are needed.

TEN PRACTICES

In order to fulfill these five principles, 10 practices are essential for statistical agencies to adopt. These practices represent the ways and means of making the basic principles operational and facilitating an agency's adherence to them. Practices 1 to 4 pertain to an agency's operations, internally and within the federal government; practices 5 to 7 bridge internal operations and external relations with the pro-

fessional statistical and research communities; and practices 8 to 10 focus externally on an agency's key constituents: data users and data providers. These are the 10 practices:

- 1. A Clearly Defined and Well-Accepted Mission**
- 2. Necessary Authority and Procedures to Protect Independence**
- 3. Commitment to Quality and Professional Standards of Practice**
- 4. Professional Advancement of Staff**
- 5. An Active Research Program**
- 6. Strong Internal and External Evaluation Processes for an Agency's Statistical Programs**
- 7. Coordination and Collaboration with Other Statistical Agencies**
- 8. Respect for Data Providers and Protection of Their Data**
- 9. Dissemination of Statistical Products That Meet Users' Needs**
- 10. Openness About Sources and Limitations of the Data Provided**

The principles and practices in this report remain guidelines, not prescriptions. Nevertheless, by adhering to the principles and following the practices, a federal statistical agency will be well positioned to provide the relevant, accurate, timely, credible, and trustworthy statistical information that policy makers and the public require.

The Committee on National Statistics (CNSTAT) of the National Academies of Sciences, Engineering, and Medicine first developed these principles and practices, beginning in 1992, as part of its mission to provide an independent review of federal statistical activities. Acts of Congress and statistical policy directives issued by the U.S. Office of Management and Budget have codified many of the principles and practices. Most recently, the Foundations

for Evidence-Based Policymaking Act of 2018 expanded the role of heads of the principal statistical agencies in their departments and prescribed an enlarged role for federal surveys and administrative records to be used in support of sound policy making.

CNSTAT intends for its principles and practices to assist statistical agencies and units, as well as

other agencies engaged in statistical activities, to carry out their responsibilities to provide accurate, timely, relevant, and objective information for public and policy use. It also intends this report to inform legislative and executive branch decision makers, data users, and others about the characteristics of statistical agencies that enable them to serve the public good.

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