OFFICIAL DIGITAL SECURE

U.S. GOVERNMENT PRINTING OFFICE | **2012 ANNUAL REPORT**

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Davita Vance-Cooks
Acting Public Printer of the United States

March 15, 2013

The Honorable Joseph R. Biden
The President of the Senate

The Honorable John A. Boehner
The Speaker of the House of Representatives

Sirs:

I have the honor to transmit herewith the Annual Report of the U.S. Government Printing Office (GPO) for the fiscal year ending September 30, 2012. The report contains the results of an audit of GPO's financial statements conducted by an independent accounting firm.

Respectfully submitted,

Davita Vance-Cooks

DAVITA VANCE-COOKS
Acting Public Printer

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A MESSAGE FROM THE ACTING PUBLIC PRINTER

The Government Printing Office (GPO) is transforming itself from a traditional ink-on-paper operation to a digital information platform. While producing the official printed products of the Government remains an important part of our business, we are using technology to move away from a print-centric business model and toward a content-centric focus, which today serves as the foundation for an increasing variety of digital and secure products and services.

In FY 2012, backed by a customer-oriented strategic plan, we built on the successes of the previous year by continuing our program of cutting costs while introducing an array of new offerings, all designed to show GPO's ongoing commitment to serving as the OFFICIAL, DIGITAL, SECURE provider of the Federal Government's information needs.

We began the year by completing an agency-wide employee buyout, an action that resulted in an 11% reduction in staffing and an annual savings of approximately $24 million. With fewer than 1,900 employees, GPO is now at its leanest staffing level in more than a century. This, in combination with other elements of our cost containment program, returned our overhead costs to 2008 levels. In 2012, we submitted a flat appropriations request to Congress for FY 2013, underscoring our determination to "do more with less" in helping the Government meet today's fiscal realities.

I am pleased to report that GPO's businesslike operations and its record of savings for the taxpayer resulted in the generation of $5.2 million in net income for FY 2012 (before posting the required long-term workers' compensation actuarial adjustment, as determined by the Labor Department), exceeding our comparable net income from the year before. The agency posted final net income of $2.9 million for FY 2012 after recording the workers' compensation adjustment.

One of the most significant demonstrations of "doing more" in 2012 was our introduction of a series of mobile Web applications, or apps, allowing the public to access the Government information they want and need from a broad range of mobile devices. Early in the fiscal year we introduced the *Congressional Member Guide* app, and we assisted the Library of Congress in its development of a *Congressional Record* app for the iPad. We then made the *Budget of the U.S. Government* available as a mobile app, which earned an award from the Center for Digital Government. With the Office of the Federal Register we produced the *Presidential Documents* app. Recently, we introduced a mobile app for the 2012 *Plum Book*, the popular listing of policy and supporting positions in the Government.

GPO's Federal Digital System (FDsys), our one-stop, no-fee Web site providing public access to the official information products of all three branches of the Government, continues to grow. Today we have more than 800,000 individual titles accessible via FDsys, and we are seeing more than 37 million documents retrieved each month. By the end of the year FDsys surpassed its 400 millionth document retrieval.

During the year, we configured the FDsys collection of House of Representatives bills to make it available in XML bulk data format beginning with the 113th Congress. This new offering joins other GPO XML bulk data files, including the *Federal Register* and related documents of the executive branch. In addition to the files made available through bulk download, we continue to ensure the authenticity of all information provided on FDsys by making available digitally signed copies in PDF format, which is the official, authentic version that matches the printed document.

Digital offerings now lead the way in our Federal Depository Library Program, which this year observes the bicentennial of its roots in the early days of our Republic. Now the Government's longest-running public information access program, the FDLP provides efficient, equitable access to the official information products of the Congress and Federal agencies through our partnerships with approximately 1,200 libraries across the Nation, about 3 per congressional district. We conducted a nationwide State Forecast study of the program in 2012, the results of which will serve as a blueprint for a more flexible, digital FDLP of the future.

In GPO's publication and information sales program, we now offer the public information as e-books in a growing range of titles through partnerships with Google, Apple, and Barnes and Noble, and we provide

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a broad variety of e-book consulting expertise for Federal agencies in determining the most efficient and cost-effective media for disseminating their information to the public.

Our Security and Intelligent Document business unit—the source of U.S. passports featuring secure electronic components, as well as the sole Government provider of secure credentials with advanced smart card features—manufactured more than 10 million passports and 800,000 credential cards in 2012. We also expanded card production capacity at our remote production site in Stennis, MS. Late in the year we were tasked by the Department of State with developing the capability to begin producing the next generation passport in 2015, a job that will require significant investment and training.

Highlights of GPO's plant operations in 2012 included production of the broad variety of work required for the 2013 Presidential Inauguration as well as the high-profile 2012 Report on Human Trafficking for the Department of State, along with the rapid turnaround work produced daily to support legislative operations in Congress and regulatory processes throughout the executive branch.

But the vast majority of the Government's information product needs—nearly 75%—were produced in 2012 by thousands of small business concerns across the Nation in the printing and information product industry who work with us in one of the Government's longest-standing partnerships with private industry. During the year, the Joint Committee on Printing requested a study by the Government Accountability Office of how taxpayer savings can be increased by bringing more print procurement into this program, and we are assisting in this important work.

For the first time ever, in 2012 we participated in the Government-wide Federal Viewpoint Survey, conducted by the Office of Personnel Management. Our participation rate of 70% was the highest we have ever had for an employee survey, higher than the Government-wide rate of 42% and twice the response rate of the internal employee survey we conducted in

Like previous studies of the GPO that have upheld our business model, the NAPA report states "in the digital age, GPO's core mission of authenticating, preserving, and distributing Federal information remains critically important to American democracy."

2010. Overall, the responses to the 2012 survey questions were much more positive than in GPO's 2010 survey. But the results also show that we still have work to do in identifying and implementing measures to address a number of employee-related issues, including hiring and promotion practices.

As FY 2012 drew to a close, the National Academy of Public Administration completed its independent study of GPO that had been requested by Congress. The resulting report provides an excellent overview of the agency and the information policy and technology environments in which we now operate. It also offers a number of useful recommendations for the future of Government operations in the digital age.

Previous studies have upheld our business model and we are pleased to see that this report does so as well, specifically stating that "in the digital age, GPO's core mission of authenticating, preserving, and distributing Federal information remains critically important to American democracy." This view underscores our transformation as the OFFICIAL, DIGITAL, SECURE provider of the Federal Government's information needs. Most important of all, it commends the dedicated and expert efforts of the men and women who work here, who daily carry out the work that is so vital to Keeping America Informed.

Davita Vance-Cooks

DAVITA VANCE-COOKS
Acting Public Printer

GPO is the **OFFICIAL, DIGITAL, SECURE** resource for producing, procuring, cataloging, indexing, authenticating, disseminating, and preserving the official information products of the Federal Government. The agency is responsible for the production and distribution of information products for all three branches of the Government, including the official publications of Congress and the White House, U.S. passports for the Department of State, and the official publications of other Federal agencies and the courts. Total GPO employment today is about 1,900.

Along with sales of publications in digital and tangible formats to the public, GPO supports openness and transparency in Government by providing permanent public access to Federal Government information at no charge through our Federal Digital System (**http://www.fdsys.gov**), which today makes more than 800,000 Federal titles available online from both GPO's servers and links to servers in other agencies, and sees more than 37 million documents downloaded every month. GPO also provides public access to Government information through partnerships with approximately 1,200 libraries nationwide participating in the Federal Depository Library Program. In addition to GPO's Web site, **http://www.gpo.gov**, the agency communicates with the public routinely via Twitter **twitter.com/USGPO**, YouTube **http://www.youtube.com/user/gpoprinter**, and Facebook **http://www.facebook.com/USGPO**.

GPO's History

GPO first opened its doors for business on March 4, 1861, the same day Abraham Lincoln was inaugurated as the 16th President. Its mission can be traced to the requirement in Article I, section 5 of the Constitution that "each House shall keep a journal of its proceedings and from time to time publish the same."

GPO has produced the official version of every great American state paper—and an uncounted number of other Government publications—since President Lincoln's time, including the Emancipation Proclamation, Social Security cards, Medicare and Medicaid information, census forms, tax forms, citizenship forms, military histories ranging from the *Official Records of the War of the Rebellion* to the latest accounts of our forces in Afghanistan, emergency documents like the ration cards and the "Buy Bonds" posters used during World War II, the Warren Commission Report on President Kennedy's assassination, the Watergate transcripts, the 9/11 Commission Report, Presidential inaugural addresses,

Supreme Court opinions, and the great acts of Congress that have shaped our society. All these as well as millions of other documents from the historic to the humble have been produced by GPO for use by Congress, Federal agencies, and the public.

Technology Transformation at GPO

GPO has continually transformed itself throughout its history by adapting to changing technologies. In the ink-on-paper era, this meant moving from hand-set to machine typesetting, from slower to high-speed presses, and from hand to automated bookbinding. These changes were significant for their time. Yet they pale by comparison with the transformation that accompanied GPO's incorporation of electronic information technologies, which began 50 years ago in 1962 when the Joint Committee on Printing directed the agency to develop a new system of computer-based composition. That order led to the development of GPO's first electronic photocomposition system, which by the early 1980's had supplanted machine-based hot metal typesetting, resulting in unprecedented savings in congressional and agency printing costs. Following the passage of the GPO Electronic Information Access Enhancement Act in 1993, the databases generated by GPO's composition system were uploaded to the Internet via GPO's first Web site, *GPO Access*. Those functions continue today with GPO's Federal Digital System on a more complex and comprehensive scale.

As a result of those sweeping technology changes, GPO is now fundamentally different from what it was as recently as a generation ago. The agency is smaller, leaner, and equipped with digital production capabilities that are the bedrock of the information systems relied upon daily by Congress, Federal agencies, and the public to ensure open and transparent Government in the digital era. GPO's technology transformation is continuing with the development of new ways of delivering Government information, including apps, and bulk data download files.

GPO History Exhibit

In 2012, GPO's history exhibit—opened a year earlier in observance of the agency's 150th anniversary—was refreshed and updated to feature machine typesetting, focusing on the

Monotype and Linotype technologies that GPO used from 1904 to 1985 to produce the official publications of Congress and Federal agencies. The agency has on display a linotype machine that was used during World War I by General Pershing's mobile headquarters in Europe to issue general orders, along with other machinery and the products they were used to produce. Videos enhance the display by explaining how Linotype and Monotype machines worked and the impact they had on the worldwide dissemination of information. The exhibit coincided with the worldwide release of an independent film—*Linotype: The Film*—that prominently features the role played by this technology at GPO.

GPO AND CONGRESS

Information is the lifeblood of the congressional process. Bills, amendments, resolutions, hearings, committee reports, committee prints, and the record of floor proceedings—all these are essential to the conduct of legislative business on Capitol Hill. Without them, congressional business would grind to a halt. To produce congressional products under the close guidance and control of the House and Senate is why GPO was originally established, and this work continues as the agency's primary mission. GPO's Official Journals of Government business unit is the principal liaison between the agency and Congress for congressional information products.

For the Clerk of the House, the Secretary of the Senate, and the committees of the House and the Senate, we produce the documents and publications required by the legislative and oversight processes of Congress, including the daily *Congressional Record*, bills, reports, legislative calendars, hearings, committee prints, and documents, as well as stationery, franked envelopes, and other materials such as memorials and condolence books, programs and invitations, phone books, and the other products needed to conduct business of Congress. The agency also details expert staff to support the information product requirements of House and Senate committees and congressional offices such as the House and Senate Offices of Legislative Counsel.

Today the activities associated with creating congressional information databases comprise the vast majority of the work funded by the agency's annual Congressional Printing and Binding Appropriation. In addition to using these databases to produce printed products as required by Congress, GPO uploads them to the Internet via FDsys, and they are the source of the apps and other advanced products the agency produces for congressional information. GPO's advanced digital authentication system, supported by public key infrastructure (PKI), is an essential component for assuring the digital security of congressional documents.

GPO's congressional information systems also form the basic building blocks of other information systems supporting Congress. The agency's congressional information databases are provided directly to the Library of Congress to support its THOMAS system—and the new Congress.gov system—as well as the legislative information systems the Library makes available to House and Senate offices. GPO and the Library are also collaborating today on the digitization of previously printed documents, such as the *Congressional Record*, to make them more broadly available to Congress and the public; the development of a new process for updating the digital edition of the *Constitution Annotated*; and expanding the availability of House bill data in XML bulk data format.

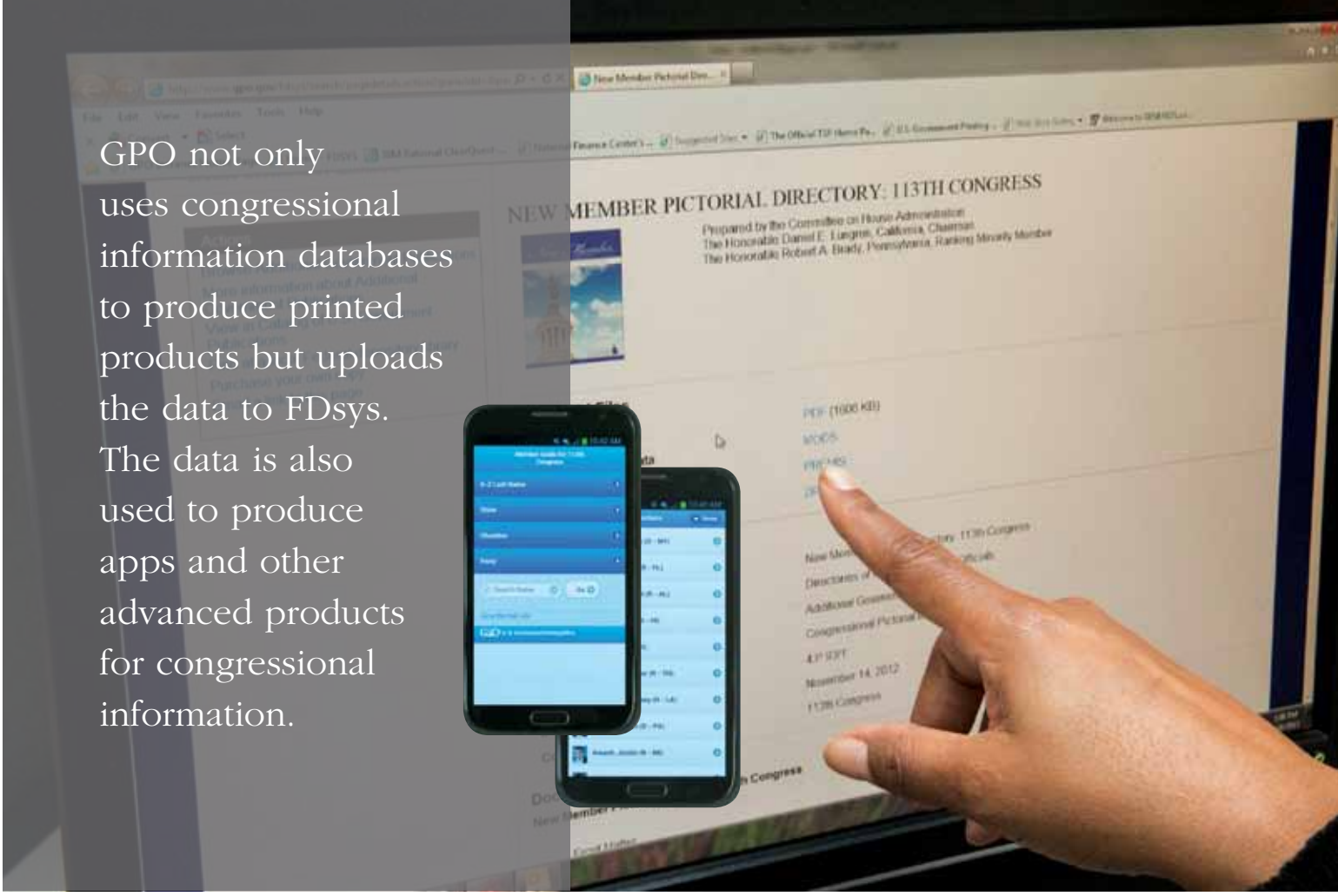
GPO Cuts the Cost of Congressional Work

The use of electronic information technologies by GPO has been a principal contributor to lowering the cost, in real economic terms, of congressional information products. In FY 1980—as the agency began replacing machine-based hot metal typesetting with electronic photocomposition—the annual Congressional Printing and Binding Appropriation was $91.6 million, the equivalent in today's dollars of $255.9 million. By comparison, approved funding for the FY 2012 Congressional Printing and Binding Appropriation was $90.6 million, a reduction of nearly 66% in constant dollar terms.

Productivity increases resulting from technology have enabled GPO to make substantial reductions in staffing requirements while continuing to improve services to Congress. In 1980, total GPO employment was approximately 6,450. Today, the agency has about 1,900 employees on board, representing a reduction of 4,550, or more than 70%. Today's is the smallest workforce at GPO of any time in the past century, yet output for Congress has expanded to include both print and multiple digital formats, with vastly superior ability to reach a larger portion of the public than ever before.

Congressional Apps

In 2012, GPO introduced its first app, the *Mobile Member Guide*, which provides the public with quick, easy access to information on Members of the 112th Congress. The app features official biographical information for



GPO not only uses congressional information databases to produce printed products but uploads the data to FDsys. The data is also used to produce apps and other advanced products for congressional information.

Members of the House and Senate, contact information for their offices in Washington, DC, and home districts, counties and zip codes that each House Member represents, and links to House Members' and Senators' Web sites. Other features included Member profiles with their picture, party affiliation, hometown, home state, and information on their length of service. The *Mobile Member Guide* allowed users to browse for Members of Congress by last name, state, chamber, or party.

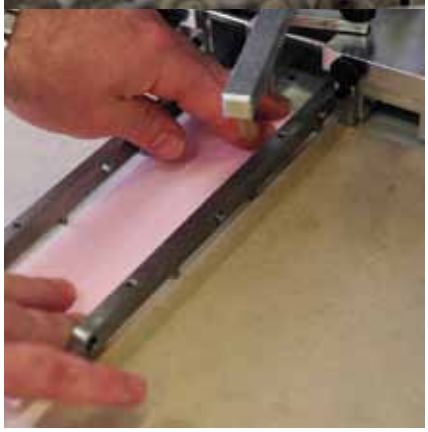
GPO also collaborated with the Library of Congress (LOC) for the creation of an iPad app for the daily *Congressional Record*. The app was requested by the House of Representatives' Committee on House Administration. GPO provided LOC with *Congressional Record* files in both text and PDF formats along with associated metadata, which LOC used in developing the app.

Late in the year, GPO made *United States Policy and Supporting Positions*—or the *Plum Book*, as it is popularly known—available in print, online, and for the first time as an app. Published by the House Oversight and Government Reform Committee and the Senate Committee on Governmental Affairs alternately after each Presidential election since 1952, the *Plum Book* is used to identify Presidential appointed and other positions within the Federal Government. The current edition lists more than 8,000 Federal civil service leadership and support positions in the executive and legislative branches that may be subject to appointment. GPO's *Plum Book* app allows users to view the publication in an easy to use mobile format and search the publication by agency, position title, location, appointment type, pay plan and level, tenure and term expiration, and vacancy.

XML Bulk Data Download

At the direction of the House Appropriations Committee, and in support of the task force on bulk data established by House Report 112-511, GPO has begun making House bills in XML format available through GPO's FDsys Bulk Data repository, beginning with the 113th Congress. The new offering joins other GPO XML bulk data files made available to the public, including the Federal Register, Code of Federal Regulations, and related documents of the executive branch.

Making Government information available in XML permits data to be reused and repurposed not only for print output but for conversion into ebooks, mobile web applications, and other forms of content delivery, including data mashups and other analytical tools by third party providers, which contributes to openness and transparency in Government. For users for whom access to the authenticated versions of congressional and other



Government publications is critically important, GPO makes available digitally-signed files in PDF format that match the official printed document. GPO is currently working with the Library of Congress to make additional information available in XML bulk data format.

Inaugural Work

GPO started production in 2012 on the requirements for the 2013 Presidential Inauguration, under the direction of the Joint Congressional Committee on Inaugural Ceremonies. The agency designed and produced approximately 80 different products for the event, including invitations, tickets, signs, pins, and other items that supported the organization and conduct of the inaugural ceremonies, including the production of secure credentials for the event.

Plant Operations

GPO's Plant Operations business unit, which is primarily responsible for congressional products (as well as the daily Federal Register and associated products), attained the IDEAlliance Master Printer certification in 2012 for demonstrating the ability to comply with G7's proof-to-print process and complying with international standards that are used industry-wide. Plant operations also received the certification of Graphic Arts Industry Color Viewing Standard. These new certifications complement plant operations' institutional membership with the Library Binding Institute, which focuses on high quality production for bookbinding and adherence to library binding standards. During the year, progress continued on the development of the plant's new XML-based composition system.

GPO AND FEDERAL AGENCIES

Federal agencies are major producers of information in the United States, and access to Government information is vital to our economy and society. The business and financial communities, agricultural workers, scientists and engineers, first responders, students, teachers, health care workers—these and a wide range of professions rely every day on information generated by Federal agencies with a diverse range of missions. So, too, do Federal agencies and the public rely on a growing variety of secure credentials issued by Federal agencies, from travelers holding U.S. passports to frequent U.S. border crossers, Medicare beneficiaries in Puerto Rico, and other users.

GPO's digital systems support key Federal agency publications, including the annual *Budget of the U.S. Government* and, most importantly, the *Federal Register* and associated products, which the agency also produces. As it does for congressional documents, GPO's advanced digital authentication system, supported by PKI, assures the digital security of agency documents.

GPO's Official Journals of Government business unit acts as the liaison between the Office of the Federal Register and the agency, while the Plant Operations business unit provides in-plant production services for these requirements. The agency's Customer Services business unit maintains liaison with Federal agencies and arranges for the production of their requirements through either Plant Operations or contracting out to the private sector printing and information product industry.

Apps for Federal Agencies

In 2012, GPO made the *Budget of the U.S. Government* available for the first time as a mobile app. The *FY 2013 Budget* app provides users with access to the text and images of the FY 2013 budget package, including the Budget Message of the President, information on the President's priorities, and budget overviews organized by agency. It also provides links to FDsys where summary tables and additional books of the *Budget*, including the *Analytical Perspectives, Appendix, and Historical Tables* are available. The FY 2013 Budget app had more than 53,000 visits in the first 24 hours. GPO was honored for the development of the app by the Center for Digital Government, receiving a Digital Government Achievement Award which recognized outstanding websites and applications developed by Federal, state, and local Government agencies. In addition to the app, the agency made the *Budget of the U.S. Government* available on FDsys, on a CD-ROM, and in print.

GPO worked with the Office of the Federal Register (OFR) of the National

The FY 2013 Budget app provides users with access to the text and images of the FY 2013 budget package, including the Budget Message of the President, information on the President's priorities, and budget overviews organized by agency.

Archives and Records Administration in 2012 to develop an app based on the *Daily Compilation of Presidential Documents*, which is featured on FDsys. The app is part of both agencies' efforts to support the White House's digital strategy for the Federal Government by ensuring the American people have access to Government information on any device. The *Presidential Documents* app includes the President's executive orders, speeches, statements, communications to Congress and Federal agencies, approved acts, nominations submitted to the Senate, White House announcements, and White House press releases. It has user-friendly search capabilities allowing users to access content about the President by searching by date, category, subject, or location, which includes a map feature. This is the first time GPO has enabled an app with a geolocation feature providing users with access to the most recent content near their location.

2012 Trafficking in Persons Report

GPO's plant produced the *2012 Trafficking in Persons Report* for the Department of State (DOS). Acting Public Printer Davita Vance-Cooks and some GPO employees attended a reception at DOS and presented Secretary of State Hillary Clinton with a bound copy of the report.

Passports and Secure Credentials

One of GPO's principal products is the U.S. passport, which the agency has produced for the Department of State since 1926. At one time no more than a conventionally printed document, since 2005 passports have incorporated a digital chip and antenna array capable of carrying biometric identification data, which with other security printing features has transformed this document into the most secure identification credential obtainable. GPO has also developed a line of secure identification smart cards to support the credentialing requirements of Federal agencies. The agency's secure credential unit has been certified as the only government-to-government provider of credentials meeting the requirements of Homeland Security Presidential Directive 12 (HSPD-12). Both passports and smart cards are handled by the agency's Security and Intelligent Documents business unit.

In 2012, GPO achieved the milestone of producing the 75 millionth electronic passport. GPO produces the passport at the agency's secure production facilities in Washington, DC, and remotely at the Stennis Space Center in MS. Both of these facilities are ISO 9001-certified, signifying they operate world-class production capabilities consistent with internationally-recognized standards. Also in 2012, GPO awarded two contracts for the covers of the U.S. passport following a competitive procurement process. As part of the process, companies had to meet the international standards established by the United Nations' International Civil Aviation Organization. A prominent feature of the new contracts is their inclusion of U.S.-based sources. The contracts are for up to five years. At the end of the year, the agency received direction from the Department of State to proceed with the necessary investment in equipment and infrastructure to begin producing the next generation passport in 2015.

GPO also works with many Federal agencies to produce secure credentials. The agency produced a special events

GPO produced a special events credential for the Federal Bureau of Investigation to be used by public safety and security personnel at Super Bowl XLVI in Indianapolis, IN. Another card introduced in 2012 was the Global Entry Card for the Department of Homeland Security's Trusted Traveler Program, to expedite customs processing for Americans returning from abroad.

credential for the Federal Bureau of Investigation to be used by public safety and security personnel at Super Bowl XLVI in Indianapolis, IN. Another card introduced in 2012 was the Global Entry Card for the Department of Homeland Security's Trusted Traveler Program, to expedite customs processing for Americans returning from abroad. GPO also produces other border crossing cards for the DHS, Medicare cards for Puerto Rico, cards for the D.C. Government, and identification cards for DHS that comply with HSPD-12 standards. During the year, the agency was approved by the Joint Committee on Printing to expand card production operations to its remote facility in Stennis, MS. This new production capability will be brought online in 2013.

GPO in Partnership with Industry

Other than congressional and inherently governmental work such as the *Federal Register*, the *Budget*, and secure and intelligent documents, GPO produces virtually all other Federal agency information product requirements via contracts in partnership with the private sector printing and information product industry. Excluding security and intelligent documents, the agency's Customer Services business unit operation contracts out approximately 75% of all work sent to the agency for production—currently amounting to more than $340 million annually—from Washington, DC, as well as from 15 regional offices around the United States.

This system is one of the Government's longest running and most successful programs of utilizing the private sector, which is represented by more than 16,000 individual firms registered to do business with GPO, the vast majority of whom are small businesses averaging 20 employees per firm. Contracts are awarded on a purely competitive basis; there are no set-asides or preferences in contracting other than what is specified in law and regulation, including a requirement for Buy American. This partnership provides great economic opportunity for the private sector. During the year, the Joint Committee on Printing requested the Government Accountability Office to review opportunities to expand the volume of Federal agency printing work contracted out to the private sector. GPO is participating in this study.

Producing and distributing the official publications and information products of the Federal Government fulfills an informing role originally envisioned by the Founders, both in the Constitution and when James Madison later said:

> *A popular Government without popular information, or the means of acquiring it, is but a Prologue to a Farce or a Tragedy, or perhaps both. Knowledge will forever govern ignorance, and a people who mean to be their own Governors, must arm themselves with the power which knowledge gives.*

Federal Depository Library Program

A key mechanism for this purpose is the Federal Depository Library Program (FDLP), whose legislative antecedents date to 1813. Across those years, depository libraries have served as critical links between "We the People" and the information made available by Federal Government. GPO provides the libraries with information products in digital and, in some cases, tangible formats, and the libraries in turn make these available to the public at no charge while providing additional help and assistance to depository library users. The program today serves millions of Americans through a network of approximately 1,200 public, academic, law, and other libraries located across the Nation, averaging nearly 3 per congressional district.

The FDLP is supported by a cataloging and indexing unit within GPO, in accordance with requirements established by the U.S. Code. An associated program operated by GPO is in fulfillment of an international treaty. Under it, the agency distributes certain Federal publications to other governments abroad as designated by the Library of Congress. In return, they send the Library their official publications, which the Library then makes available for the use of Congress and the public. The FDLP is managed by GPO's Library Services and Content Management business unit.

In 2012, Federal depository libraries connected their patrons to a historic document commemorating the 100th anniversary of the sinking of the Titanic in April. Libraries provided access to the Senate hearing report that investigated the sinking of the Titanic and other relevant documents that are part of their library collections.

A major FDLP effort during the year was the State Forecasting Project, a collaborative research project between GPO and depository libraries, which surveyed all depository libraries to assess the current conditions of the program. Primary issues identified in the survey included budget constraints, use of physical space, staffing, and collection scope changes. GPO received responses from 802 depository libraries representing all 50 states, DC, American Somoa, Guam, and the U.S. Virgin Islands. Results from this initiative will be used as a blueprint for developing a new national plan for the future of the FDLP in the digital age.

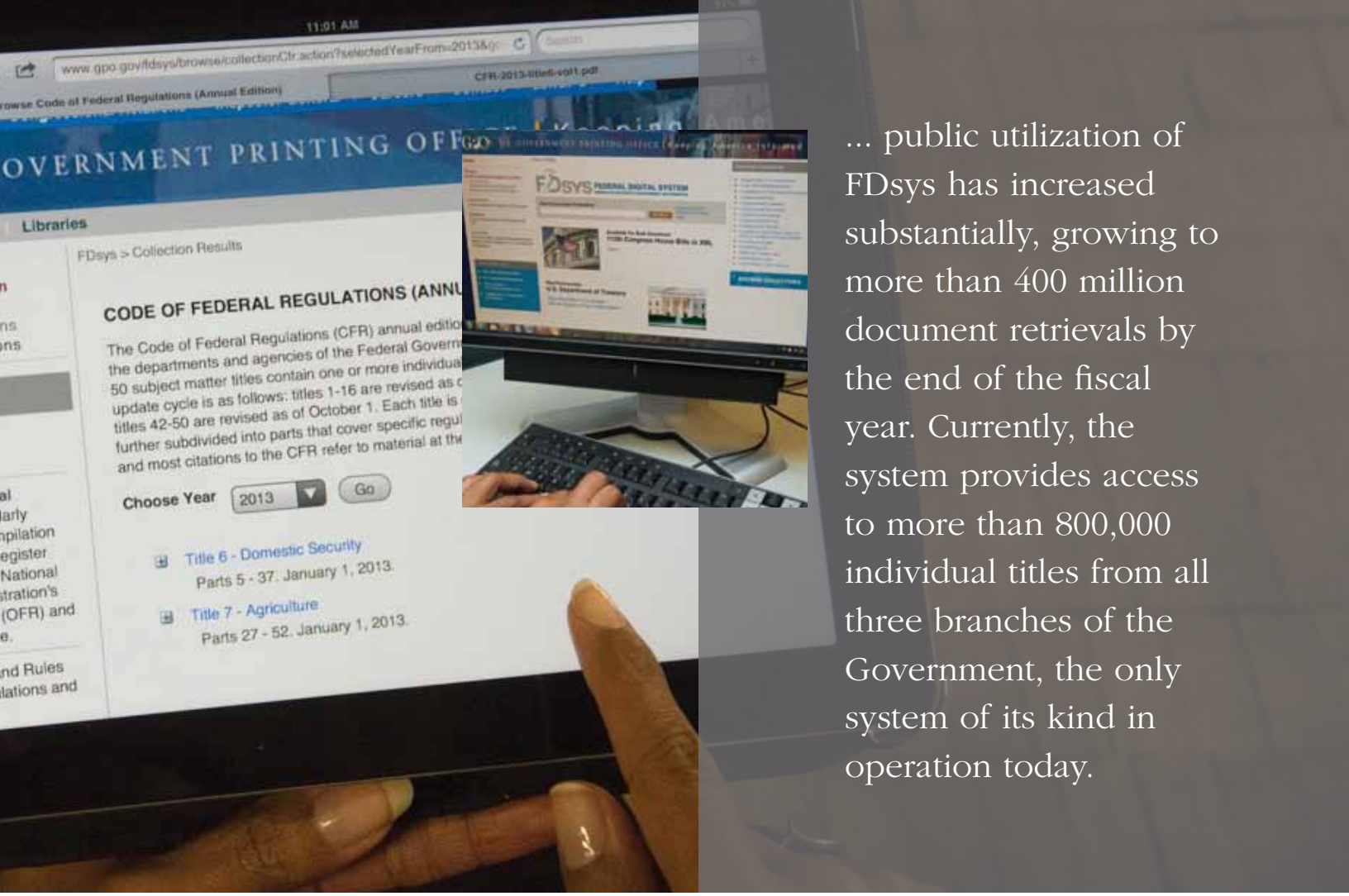
During the year, the agency's Library Services and Content Management business unit started using an eLearning tool, allowing GPO to conduct virtual training and host virtual meetings with members of the FDLP nationwide. In turn, libraries across the country can improve their assistance to the public in using FDsys to access Government information. This tool also allows GPO to customize training for specific audiences, record the training for future use, and enhance training with online discussions.

Federal Digital System (FDsys)

A major component of the FDLP is FDsys, which now provides the majority of congressional and Federal agency content to the program for public access. This system has reduced the cost of providing public access to Government information significantly when compared with print, while expanding public access dramatically through the Internet. The system is managed by GPO's Programs, Strategy, and Technology business unit.

In 2012, GPO took offline its first Web presence, *GPO Access*, launched originally in 1994, and as a result public utilization of FDsys has increased substantially, growing to more than 400 million document retrievals by the end of the fiscal year. Currently, the system provides access to more than 800,000 individual titles from all three branches of the Government, the only system of its kind in operation today.

GPO is continually adding collections to FDsys to provide increased public access to Government information. In 2012, the agency had the opportunity to make audio content available for the first time on FDsys. The National Archives and Records Administration turned to GPO to host the audio tape recordings of communications between the White House and Air Force One following



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the assassination of President John F. Kennedy on November 22, 1963. As a result of hosting the audio recordings, FDsys achieved a record number of visits to the site over a five-day period.

The number of Federal courts participating in GPO's pilot project with the Administrative Office of the U.S. Courts to make Federal court opinions available to the public via FDsys increased from 3 in 2011 to 29 in 2012. The collection now contains nearly 600,000 opinions and had more than 40 million downloads in 2012, making it the fourth most popular collection on FDsys. At the end of the year, GPO received approval from the Judicial Conference of the United States to make opinions available from all of the remaining Federal courts.

During the year, development was completed to provide access to a finer level of granularity for the digitized U.S. Statutes at Large 1951-2000 collection made available via FDsys, a joint project of the Library of Congress and GPO to make more historical publications available digitally. The additional level of granularity will allow for enhanced search and access to this collection. This enhancement will be available to the public in early 2013.

An FDsys application programming interface (API) was developed in 2012 that provides services for developers and webmasters to programmatically access content and metadata on FDsys in a predictable way. A Link Service was made available that enables embedded links to be created to content and metadata from 13 FDsys collections.

The capability to accept and display XML for the FDsys Congressional Reports collection, and to prepare reports in this format, was enabled in 2012. This will provide access to congressional reports developed in XML in addition to the PDF and text (ASCII) formats that are currently available. GPO has already enabled this capability for the Congressional Bills collection, which is made available in text, PDF, and XML formats.

Finally, the capability for content to be ingested into FDsys in bulk and without the need for development resources was enabled in 2012. This feature streamlines the process for submitted content and metadata to be ingested by the system and available based on a set of standard guidelines. The feature supports efforts to increase the amount of content in FDsys by making it quicker and easier for content owners to have their content available through FDsys. Content from the Department of the Treasury was the first to be ingested into FDsys through this streamlined standard submission feature.

In 2012, the American Customer Satisfaction Index (ACSI), which measures customer satisfaction with Federal agencies, gave GPO's Pueblo facility an overall customer satisfaction score of 84 points with complaints at only one percent.

GPO Achieves Savings in Information Dissemination

In FY 1995, the year that GPO's provision of online access to Government documents via the Internet debuted, the cost of printing and distributing millions of copies of printed publications to Federal depository libraries nationwide was $17.6 million, the equivalent of nearly $26 million in constant dollars. For FY 2012, GPO funded that function at $9.7 million, a reduction of more than 62% in real economic terms. Along with occasional appropriations to GPO's Revolving Fund and related funding, GPO has used the savings from reduced printing and distribution costs to pay for the establishment and operation of its online information dissemination programs, first through *GPO Access* (1994-2009) and then through FDsys. This effort has achieved significant savings for the taxpayers while exponentially expanding public access to Government information.

Publication and Information Sales Program

Along with the FDLP and FDsys, which are no-fee public access programs, GPO provides public access to the wealth of official Federal information through public sales featuring secure ordering through an online bookstore for GPO sales publications, a brick-and-mortar bookstore at GPO headquarters in Washington, DC, and partnerships with the private sector to offer Federal publications as ebooks. This program is managed by GPO's Publications and Information Sales business unit.

GPO's presence in the ebook market continues to grow. The agency entered into agreements in 2012 with Barnes & Noble and Apple to make popular Government titles such as the *Public Papers of the President-Barack Obama*, the *Financial Crisis Inquiry Report*, and *Ponzimonium: How Scam Artists are Ripping Off America* available as ebooks. The agency now has agreements with Apple, Google's eBookstore, Barnes & Noble, OverDrive, Ingram, Zinio, and other online vendors to sell Federal ebooks and magazines.

Reimbursable Distribution Program

The Publications and Information Sales business unit also operates information distribution programs for other Federal agencies on a reimbursable basis, including the General Services Administration (GSA) Consumer Information Center publications.

The agency works with GSA to process and distribute orders for consumer publications through GPO's Congressman Frank Evans Document Distribution Center in Pueblo, CO. Since it first opened in 1971, this facility has distributed approximately one billion publications worldwide. In 2012, the American Customer Satisfaction Index (ACSI), which measures customer satisfaction with Federal agencies, gave the Pueblo facility an overall customer satisfaction score of 84 points with complaints at only one percent. The ACSI surveyed customers on their satisfaction with catalog, Web site, phone, and order processing. This high customer satisfaction score builds upon the Pueblo distribution center's reputation for excellent customer service and high scores from previously-conducted surveys.

GPO and Social Media

GPO has embraced social media. The agency uses Facebook, Twitter, YouTube, and a book blog to share information about achievements, news, and events, and to promote specific publications and products. GPO has 2,000 likes on Facebook, 4,300 followers on Twitter, and 64,000 views across nearly 50 videos on YouTube. The book blog, Government Book Talk, focuses on increasing the awareness of new and classic Federal publications through reviews and discussions. Late in the fiscal year, GPO added a Pinterest account, which to date has been pinned more than 100 times.

Unlike most Federal agencies, GPO operates like a business, providing products and services for Congress, Federal agencies, and the public and receiving payment in return. All GPO activities are financed through a business-like Revolving Fund, established by section 309 of Title 44, U.S.C. The Fund is used to pay all of GPO's costs in performing congressional and agency printing, printing procurement, and distribution activities. It is reimbursed from payments from customer agencies, sales to the public, and transfers from GPO's two annual appropriations, the Congressional Printing and Binding Appropriation and the Salaries and Expenses Appropriation of the Superintendent of Documents.

The Revolving Fund functions as GPO's checking account with the U.S. Treasury. GPO pays its expenses from this account either with a check or electronic transfer. The Fund is reimbursed when the Treasury Department transfers money from agency appropriations accounts to the Revolving Fund when agencies pay GPO invoices. This procedure also applies to the payment of transfers from the Congressional Printing and Binding and Salaries and Expenses Appropriations, and to deposits of funds collected from sales to the public.

GPO maintains a cash balance in the Revolving Fund that is used to pay all expenses. The cash balance fluctuates daily as payments are received from agency reimbursements, customer payments, and transfers from GPO appropriations.

Appropriated Funds

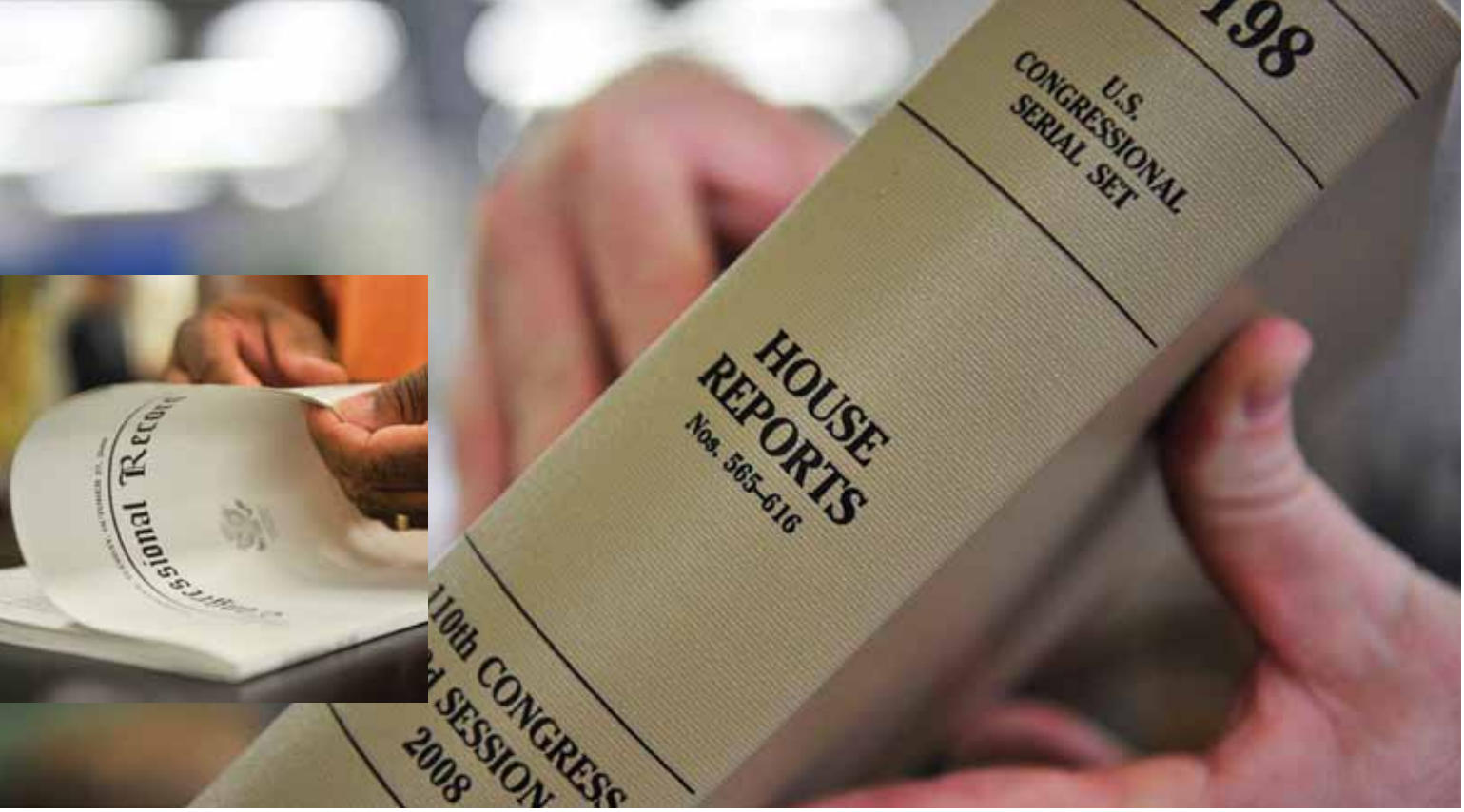
GPO's Congressional Printing and Binding Appropriation is used to reimburse the Revolving Fund for costs incurred in performing congressional work. The Salaries and Expenses Appropriation of the Superintendent of Documents is used to pay for costs associated with depository distribution, cataloging and indexing, statutory distribution, and international exchange distribution. Occasionally, appropriations are made to the Revolving Fund for specified purposes, to remain available until expended. The reimbursements from these appropriations are included in GPO's total revenue.

Unlike most appropriations to other Federal agencies, GPO's appropriations are generally for work that the agency itself does not control. The Congressional Printing and Binding Appropriation in effect is an appropriation by Congress to cover the costs of its own printing. The appropriation is made to GPO to relieve Congress of the burden of maintaining detailed accounting records for all the printing ordered from GPO both by law and by other congressional requisitions, as well as the responsibility for estimating the anticipated volume of congressional printing that is used as the basis for the appropriation.

Congress plays a major role in controlling the rate of spending of the Congressional Printing and Binding Appropriation. GPO can transfer funds from the appropriation to the Revolving Fund only when it performs congressional printing. The appropriation is not available for expenditure for any purposes other than congressional printing. While GPO does its best to estimate the volume of congressional printing in any given year, that volume can change due to circumstances beyond GPO's control. GPO can affect the rate of spending under this appropriation by ensuring the efficiency of its operations.

If congressional requisitions fall short of GPO's estimate, there will be a balance remaining in the Congressional Printing and Binding Appropriation at the end of the year. If Congress's requirements exceed GPO's estimate, GPO will continue to fulfill them, and Congress will in effect spend more than it appropriated. As a result, there will be a shortfall in the appropriation for which GPO would need additional funding in a subsequent year. The shortfall would be paid out of available money—retained earnings—in the Revolving Fund that otherwise would be used for investment in new plant and equipment. When shortfalls occur, Congress subsequently repays GPO for the excess cost of its printing to restore money to the Revolving Fund.

Like the Congressional Printing and Binding Appropriation, the Salaries and Expenses Appropriation is available only for specific programs: depository distribution, cataloging and indexing, statutory distribution, and international exchange. The publishing activities of the Government determine the workload handled by these programs,



not GPO. However, GPO can affect the level of funding by ensuring the efficiency of its information dissemination operations.

For FY 2012, GPO received total appropriations of $126.2 million, including $90.7 million for Congressional Printing and Binding, $35 million for the Salaries and Expenses of the Superintendent of Documents, and $500,000 in appropriations to the Revolving Fund for information technology and facilities repairs. In early FY 2012, the agency requested a flat budget of $126.2 million for FY 2013, but with the funds distributed differently: $83.6 million for Congressional Printing and Binding, $34.7 million for the Salaries and Expenses of the Superintendent of Documents, and $7.8 million in appropriations to the Revolving Fund for information technology and facilities repairs. However, funding for FY 2013 has been provided by continuing resolution.

Retained Earnings

Under GPO's system of accrual accounting, annual earnings generated since the inception of the Revolving Fund have been accumulated as retained earnings. Retained earnings make it possible for GPO to fund a significant amount of technology modernization. However, appropriations for essential investments in technology and plant upgrades are also requested annually.

FY 2012 Financial Results

For FY 2012, revenue totaled $713.8 million, and the total operating expenses charged against GPO's budget were $708.6 million, excluding Other Operating Expense. The largest single component of GPO's annual expenses was a pass-through cost for procured printing. In FY 2012, the cost of procured printing totaled $314.2 million, or about 44% of total expenses. The second largest component was personnel compensation and benefits. These totaled $207.0 million in FY 2012, or about 29% of all expenses. Other Operating Expense was a $2.4 million adjustment to increase GPO's long-term workers' compensation liability, as determined by the Department of Labor.

Revenues from charges against funds appropriated by Congress provided $114.5 million (including funds from the Congressional Printing and Binding and Salaries and Expenses appropriations, along with appropriations to the Revolving Fund; since these funds are without fiscal year limitation, additional charges may be placed for work obligated in FY 2012 but billed in a subsequent year), or about 16% of total revenue. All other GPO activities, including in-plant printing (which includes the production of passports), procured printing, sales of publications, agency distribution services, and all administrative support functions, were financed through the Revolving Fund by revenues generated by payments from agencies and sales to the public.

As a result, GPO realized net income of $5.2 million for the year, before Other Operating Expense, and net income of $2.9 million after. GPO's financial statements are audited annually by an independent third party contracted for by the agency's Office of Inspector General, and GPO routinely receives an unqualified, or "clean" opinion.

2012 U.S. GOVERNMENT PRINTING OFFICE FINANCIAL STATEMENTS

The following summary tables are excerpts from the full audited consolidated financial statements and are not intended to substitute for the full audited financial statements presented at **http://www.gpo.gov/pdfs/congressional/archives/2012AnnualReport.pdf.**

For fiscal year 2012 (October 1, 2011 - September 30, 2012) the GPO received a clean audit opinion on its consolidated financial statements from KPMG LLP.

For the ninth consecutive year, GPO achieved positive financial results before other operating expenses. Net income before other operating expenses was $5.2 million in fiscal 2012 compared to net income before other operating expenses of $2.9 million in fiscal 2011. In fiscal 2012, both operating revenue and operating expenses decreased from fiscal 2011. Operating revenue was down $107.3 million, or 13.1 percent (to $713.8 million from $821.1 million), while operating expenses dropped $109.6 million, or 13.4 percent (to $708.6 million from $818.2 million). The decrease in revenue and expenses was primarily due to a drop in activity within the Customer Services business unit combined with a decline in U.S. passport production volumes in the Security and Intelligent Documents (SID) business unit to about 10 million passports in fiscal 2012 from 13.2 million units in fiscal 2011.

Other operating expenses in 2012 included a charge of $2.4 million for an increase to the Agency's future workers' compensation liability. The long-term worker's compensation charge is required to record the adjustment to the actuarially determined liability at September 30, 2012. Inclusive of other operating expenses, GPO had a net income of $2.9 million in fiscal 2012 compared to a net income of $5.6 million in fiscal 2011.

Summary of Revenues, Expenses, and Net Income (in thousands)	2012	2011
Operating Revenues	$ 713,831	$ 821,109
Operating Expenses	708,593	818,212
Net Income before other operating expenses	**5,238**	**2,897**
Other Operating Expenses		
(Increase) Decrease in workers' compensation liability	(2,380)	2,740
Net Income	**$ 2,858**	**$ 5,637**

Operations provided approximately $101 million in cash in fiscal 2012 as compared to $46.4 million in cash in fiscal 2011. The GPO invested $18.7 million on capital items in fiscal 2012 as compared to $12.7 million in fiscal 2011.

Summary Statements of Cash Flows (in thousands)	2012	2011
Cash Flows from Operating Activities		
Net Income	**$ 2,858**	**$ 5,637**
Provided by operating activities:		
Depreciation and other	21,463	21,499
Decrease in assets	30,066	202
Increase in liabilities	44,070	21,799
Workers' compensation liability	2,380	(2,740)
Total adjustments	97,979	40,760
Net cash provided by Operating Activities	**$ 100,837**	**46,397**
Cash flows (used in) Investing Activities	**(18,655)**	**(12,667)**
Cash flows provided by Financing Activities	**11,571**	**12,959**
Net Increase in Cash Balance	**$ 93,753**	**$ 46,689**

The GPO's Balance Sheet continued to strengthen as a result of positive operating performance. Working capital increased by $19.6 million, to $335.8 million in fiscal 2012 from $316.2 million in fiscal 2011, and total current assets increased by $63.7 million, to approximately $654.8 million in fiscal 2012 from $591.1 million in fiscal 2011.

Total assets grew by $60.9 million to $755.3 million in 2012 from $694.4 million in 2011. Cash increased to $480.6 million in fiscal 2012 from $386.9 million in fiscal 2011, due primarily to a decrease in accounts receivable in combination with an increase in customer deposit collections. Also contributing to the increase in cash in fiscal 2012 was an increase of $11.6 million in unexpended appropriations from fiscal 2011.

GPO ended fiscal 2012 with retained earnings of $168.1 million, compared to $165.3 million at the end of fiscal 2011.

Summary Balance Sheets (in thousands)	2012	2011
Assets		
Current Assets		
Fund balance with Treasury	$ 480,607	$ 386,854
Accounts receivable, net	141,176	172,271
Inventory, net	31,891	31,919
Prepaid expenses	1,156	99
Total current assets	**$ 654,830**	**591,143**
General property, plant and equipment, net	100,473	103,261
Total Assets	**$ 755,303**	**$ 694,404**
Liabilities and Net Position		
Current Liabilities		
Accounts payable and accrued expenses	$ 109,188	$ 120,957
Deferred revenues	200,429	143,144
Accrued annual leave	9,417	10,843
Total current liabilities	**$ 319,034**	**274,944**
Other Liabilities		
Workers' compensation liability	70,524	68,144
Total Liabilities	**$ 389,558**	**$ 343,088**
Net position		
Cumulative results of operations		
Retained earnings	$ 168,146	$ 165,288
Invested capital	92,879	92,879
Unexpended appropriations	104,720	93,149
Total Net Position	**365,745**	**351,316**
Total Liabilities and Net Position	**$ 755,303**	**$ 694,404**

Printed copies of GPO's Annual Report for Fiscal Year 2012 were produced in our Digital Print Center
on a high-speed digital color duplicating system using 80-lb. paper for the cover and text that is
Forest Stewardship Council (FSC)-certified and Elemental Chlorine Free (ECF).
The Report is also available online at http://www.gpo.gov/pdfs/congressional/archives/2012_AnnualReport.pdf.

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