Statelement on Signing the Government Management Reform Act of 1994

October 13, 1994

Today I have signed into law S. 2170, the "Government Management Reform Act of 1994.”

In September of last year, Vice President Gore and his team at the National Performance Review (NPR) stated this simple fact in their report entitled, “From Red Tape to Results”: “Management isn't about guessing, it's about knowing. Those in positions of responsibility must have the information they need to make good decisions. Good managers have the right information at their fingertips. Poor managers don’t.”

By passing the Government Management Reform Act of 1994, which is largely based on ideas developed by the NPR, the Congress has helped ensure that the Federal Government's managers will have the financial information and flexibility they need to make sound policy decisions and manage resources.

The Act expands the coverage initially mandated by the Chief Financial Officers Act so that 24 major Government departments and agencies will now provide annual audited financial reports of all their activities, spending, and revenues. Not later than 1998, the Federal Government will produce a consolidated financial statement covering virtually all of the $1.5 trillion annual budget authority of the Government and the revenues it receives.

The NPR report also stated that “we believe Americans deserve numbers they can trust” and recommended that the Federal Government provide an annual accountability report to our citizens. This Act's requirement for an audited consolidated financial report is a step in achieving this goal. To advance the process of accountability, I have requested that the Secretary of the Treasury, with the Director of the Office of Management and Budget (OMB), also produce an Annual Accountability Report to the Citizens in 1995, as recommended by the Vice President in the NPR report. The Accountability Report will be a straightforward description of the money spent and its effects on achieving results.

Measuring results is an important management goal of this Administration. The financial statements promise to be an excellent tool for providing agency performance and financial data, so we can have a closer look at results and whether Government indeed works better and costs less.

S. 2170 contains a number of other significant provisions. These include: the establishment of pilot programs to create franchising operations that will consolidate administrative support services, improve competition, and cut costs; expansion of the use of electronic funds transfers for Federal payments; and authority for the OMB Director to streamline management reporting to the Congress.

The Franchise Fund Pilot Program authorized by this Act will create internal markets through “franchising” common administrative support services to many agencies so the service providers may compete with one another. Injecting competition and market forces into the delivery of these services will reduce duplication, lower overhead costs, and better serve the American people.

Starting on January 1, 1995, S. 2170 promotes the use of direct deposit through electronic funds transfer for Federal wages, salaries, and retirement payments. The costs of disbursing money electronically are considerably less than the costs of printing, mailing, and processing paper checks.

The Act also provides tools to the OMB Director to consolidate and streamline management reporting processes. In particular, the Director will have the flexibility to determine the most meaningful timing and presentation of financial management reports from agencies to OMB and the Congress.

By expanding the scope of the financial statement requirements, the Act ensures the American people will have financial information they can trust. We will be better able to show the
Teleconference Remarks to Broadcasters Associations
October 13, 1994

Thank you, Marcy. Good morning to you and
to the hundreds of distinguished members of
the broadcast journalism industry gathered there
with you. I’m honored to help kick off the very
first joint undertaking of the Radio Television
News Directors Association and the National As-
sociation of Broadcasters Radio.

You know, I’ve talked a lot about building
new partnerships all over America; I must say
that after the last 20 months I never expected
it would be the journalists who would be the
first to take me seriously. But I’m glad you’re
leading the way.

I’ve had the chance to review the ambitious
agenda you’ve had for this week—discussing
issues involving programming, ethics, technol-
yogy, marketing—in one of the most dynamic
industries on Earth. I applaud you for accepting
these challenges as well as for the decades of
leadership in your industry. I know Reed Hunt,
our Chairman of the FCC, will join many of
you soon for an in-depth discussion of these
and other issues.

I’m delighted that you’re honoring Charles
Kuralt with the Paul White Award for lifetime
achievement. I’ve admired him for a long time.

―On The Road‖ was a true celebration of the
unsung heroes and the enduring values of Amer-
ica. I’m told he got the idea for the show one
night when he was on a plane looking down
at the lights below. He said he thought the
following: “There are a lot of Americans who
don’t live in cities and don’t make headlines.
I was interested in finding out about them.”
Well, for most of my life I was one of them,
and I’m proud that Charles Kuralt found out
so much about them. He taught us about the
steadiness and the joys of daily life that are
so often masked by the daily headlines.

Before I get into the body of my remarks
today, I’d like to give you an update on the
situations in the Persian Gulf and Haiti. First,
let me say how very proud I am of the men
and women of our Armed Forces who are serv-
ing in both areas. We’ve asked an awful lot
of them, and they’re delivering with great skill
and professionalism. They are the power behind
our diplomacy.

Last week, in the face of Iraq’s threatening
troop movements on the Kuwaiti border, I or-
dered the deployment to the Gulf of an aircraft
carrier battle group, cruise missile ships, Marine
and Army troops, and several hundred attack
aircraft. Our policy is clear: We will not allow
Iraq to threaten its neighbors or to intimidate
the United Nations as it ensures that Iraq never
again possesses weapons of mass destruction.

I’m pleased to say that Iraq heard our mes-
sage. Its forces have begun a broad retreat from
the border area. Only a few Republican Guard
units remain in southern Iraq, and they are
withdrawing, too. But the withdrawal is not yet
complete, and it’s too soon to say where all
the troops are going. So we’re watching the situ-
ation very, very carefully, and we’ll continue to
deploy our forces in the Gulf until we’re satis-
fied that Iraqi troops no longer pose an imme-
diate danger to Kuwait.

At the same time, Ambassador Albright has
proposed a very strong resolution in the United
Nations to prevent Iraq from threatening its
southern neighbors now or in the future. We’re
working closely at the Security Council to win
broad international support for that resolution.

Now let me add a few words about Haiti.
Our troops went there to keep a solemn com-
mitment by the United States and the inter-
national community to restore the nation’s
democratically elected government and to help