SECTION 26—SUMMARY OF PERFORMANCE INFORMATION REQUIREMENTS

26.1   How do I reflect in my budget submission the performance and efficiency improvements my department is making through implementation of the President's Management Agenda?

Implementation of the President's Management Agenda (PMA) is helping agencies improve effectiveness and efficiency in delivering program services. For instance, competitive sourcing studies completed in FYs 2003–2005 are expected to save more than $3.1 billion government-wide over the next five years. In addition, all programs are developing efficiency measures as part of the Budget and Performance Integration Initiative. Becoming more effective and efficient will help the government make better use of taxpayers' dollars and in some cases also operate with fewer resources.   Budget submissions to OMB and congressional justifications should highlight effectiveness and efficiency gains and how the agency has used or plans to use them.

The table below refers you to the specific guidance in this circular relating to PMA initiatives, as well as provides links for additional information on the initiatives.

Initiative	See A–11 section . . .	Additional links . . .
Strategic Management of Human Capital	85.1	http://www.results.gov/agenda/humancapital.html http://www.opm.gov/Strategic_Management_of_Human_Capital/index.asp
Competitive Sourcing	31.10	http://www.results.gov/agenda/competitivesourcing.html http://www.whitehouse.gov/omb/procurement/index.html
Improved Financial Performance	52, 230	http://www.results.gov/agenda/financialperformance.html http://www.whitehouse.gov/omb/financial/index.html
Expanded E-Government	53, 300	http://www.results.gov/agenda/egov.html http://www.whitehouse.gov/omb/inforeg/infopoltech.html http://www.whitehouse.gov/omb/egov.html
Budget and Performance Integration	51, 200, 210 220	http://www.results.gov/agenda/budgetperformance.html http://www.whitehouse.gov/omb/budintegration/index.html
Eliminating Improper Payments	31.9	http://www.whitehouse.gov/omb/financial/fia_improper.html

26.2   What do I need to know about the Budget and Performance Integration initiative and performance budgeting?

(a)   *Information about the Budget and Performance Integration initiative*.

Although many of the elements and requirements of the President's Management Agenda are included in OMB Circular A–11, the elements of the Budget and Performance Integration initiative are more thoroughly included than those of other initiatives, because its goals are achieved in large part through an agency's performance budget. The Budget and Performance Integration (BPI) Initiative aims to ensure that Federal dollars produce the greatest results. To accomplish this, agencies and OMB identify which programs work, which are deficient, and what can be done to improve the performance of them all. The initiative also focuses on having:

- Managers use performance information to makes budget, regulatory, and management decisions;
- Strategic plans that have limited number of outcome-oriented goals;
- Agencies estimate the full and marginal cost of achieving performance goals; and
- Efficiency measures for all programs.

The list of overall goals (or Standards for Success) for the Budget and Performance Integration initiative are available at http://www.whitehouse.gov/results/agenda/standards.pdf.

Your agency's performance budget submission to OMB explains the planned activities for 2008, including those currently underway that justify your agency's budget request. The performance budget is aligned with the current, approved strategic and performance plan and should incorporate all improvement actions taken in response to completed program performance assessments.

The Program Assessment Rating Tool (PART) is used to assess individual program performance and identify actions to improve program performance. Agencies should use PART findings to inform and justify their budget requests. (Information on the PART can be found at http://www.omb.gov/PART.)

(b)   *Performance budget submission and use of the Program Assessment Rating Tool (PART)*.

Sections 51 and 220 contain information on how to prepare the performance budget submission. In addition, agencies will provide additional information to prepare for the release of PART information with the President's Budget.

Submitting funding information for PARTed programs. As in the past, funding information will be presented along with the PART information released with the President's Budget. This information is collected using PARTWeb. Agencies should ensure that all appropriate agency staff have access to PARTWeb well before the timeframes discussed below so that they may enter the data. A detailed schedule will be provided in late summer. Information about accessing PARTWeb is available at http://www.omb.gov/part/.

- *Treasury accounts*—All programs included in the PARTWeb systems should already include a list of the Treasury accounts from which the program is funded. Agencies should enter account information for new programs, verify that existing account information is correct, and make any needed corrections in PARTWeb by November 20.

- *Actual and proposed funding levels*—the prior, current, and budget years—for all programs that have been assessed by the PART, regardless of the year they were last assessed.   The FY 2006 actual and FY 2007 enacted levels (if available) should be entered into PARTWeb by November 20. Enacted levels for remaining programs and FY 2008 budget levels for all programs will be

entered in PARTWeb after the passback. Deadlines for entering this information into PARTWeb will be after the MAX A–11 system database locks.

Current performance information. By November 20, use PARTWeb to provide the most recent performance information for performance measures included in PARTs.   Specific instructions for completing this worksheet will be included on the PARTWeb help feature. In general, you will need to:

- Provide actual performance data for 2006 and earlier years that is now available for all measures included in PARTs.

- Provide more recent targets for annual measures in programs assessed in earlier years. In addition, programs may need to update targets to correspond with appropriated funding levels. For all PARTed programs, annual measures should include targets for FYs 2006–2008 and long-term measures should include recent targets, as appropriate. (It is understood that long term measures may not have targets for every year). These more recent targets must agree with what the agency reports in its performance budget, and any changes from the previous year must be explained.

PART Improvement Plans. The primary goal of the PART is to improve program performance. PART assessments help identify program strengths and weaknesses and help inform management actions, funding recommendations, and legislative proposals aimed at improving performance and achieving better results.   Each program should have an improvement plan (set of follow-up actions) it is implementing. Following through on the PART follow-up actions is critical to improving performance. Reporting on these improvement plans occurs in the spring and fall. Specific guidance on these updates is issued separately.

Since PART summaries will be drafted in the summer this year, you will have begun working with your examiner to identify appropriate follow-up actions to your PARTs prior to submitting your budget to OMB. PART summaries drafts are due by September 15.

By November 20, agencies should complete the following in PARTWeb for each PART Improvement Plan:

- *Verify that the information reported is timely and accurate.* Agencies should ensure that the information they report on their improvement plans (e.g., the year the action was begun, the status of the action, etc.) is correct and current. This reporting should reflect activities completed to date.

- *Make certain that the information is consistent with the improvement plan included in the PART summary.* The detailed follow-up actions should be consistent with those included in the PART summary so you may need to make adjustments to your PART summary. There should be at least one follow-up action reported in the details for each follow-up action listed in the summary. In some cases, there may be a few detailed follow-up actions corresponding to one in the PART summary, such as when the detailed ones correspond to different steps in a process.

- *Ensure that the improvement plans are aggressive and work to improve program performance.* Agencies and OMB staff should give particular focus to ensuring that PART follow-up actions are directed toward improving performance and that they strive toward continuous improvement. As follow-up actions are completed, programs should propose additional ones so that the improvement plans remain living documents. Additional actions may be logical next steps to completed actions or new actions relating to PART findings that have not been addressed yet.

- *Ensure that individual follow-up actions are discrete and that completion can be objectively determined.* Individual follow-up actions should be discrete, actionable items. One should be able to objectively assess whether the action as been completed.

It may be helpful to break up follow-up actions into major steps so that programs are better able to show progress toward achieving their improvement plans. Keep in mind, however, that tracking completion of follow-up actions in PARTWeb is primarily intended for public accountability, not for internal agency management of implementation plans. Agencies may wish to maintain more detailed tracking of their follow-up actions.

As a general rule, follow-up actions should have a defined timeframe for completion, preferably one year. When the timeframe is not one year, the description of the follow-up action should include the timeframe for planned completion.

Information available to the public. Release of the performance budget and agency justification and underlying materials concerning presidential decisions must by done in accordance with the requirements of section 22. After the performance budget is submitted to the Congress, it should be made available to the public.

 (c)   *Tracking PART programs in budget execution reports.*

You may report obligations for PART programs in your SF 133 Reports on Budget Execution and Budgetary Resources. To do this, you may use program reporting categories, which are described in section 120.2.

26.3   What do I need to know about complying with the Government Performance and Results Act?

Performance-based management and budgeting begins with an overarching strategic plan. Such plans are required by the Government Performance and Results Act (GPRA). In addition to a strategic plan, GPRA requires agencies to prepare related annual performance plans and annual performance reports. The legal requirements for an annual performance plan are met by a performance budget. The annual performance report requirement will be fulfilled by both the performance budget and the performance and accountability report (PAR).

Sections 200–230 contain a comprehensive discussion of the requirements for these plans and reports. Agencies are asked not only to meet the basic requirements, but to describe the relationship between the results they expect to achieve and the resources they are requesting.

The PART is a vehicle for achieving the goals of the Government Performance and Results Act (GPRA). Section 2(b) of the Government Performance and Results Act of 1993 identified the following purposes of the Act:

1.   Improve the confidence of the American people in the capability of the Federal Government, by systematically holding Federal agencies accountable for achieving program results;

2.   Initiate program performance reform with a series of pilot projects in setting program goals, measuring program performance against those goals, and reporting publicly on their progress;

3.   Improve Federal program effectiveness and public accountability by promoting a new focus on results, service quality, and customer satisfaction;

4.   Help Federal managers improve service delivery, by requiring that they plan for meeting program objectives and by providing them with information about program results and service quality;

5.   Improve Congressional decision-making by providing more objective information on achieving statutory objectives, and on the relative effectiveness and efficiency of Federal programs and spending; and

6. Improve internal management of the Federal Government.

The PART strengthens and reinforces performance measurement under GPRA by encouraging careful development of performance measures according to the outcome-oriented standards of the law and by requiring that agency goals be appropriately ambitious. Performance measures included in GPRA plans and reports and those developed or revised through the PART process must be consistent. When developing performance measures, agencies should consult with stakeholders, as appropriate.

Agency performance plans and reports vary in their level of detail and how they address the different programs the agency operates. When annual plans and reports include programs that have been assessed in the PART, the measures used for GPRA should be the same as those included in the PART. In all cases, performance measures included in GPRA plans and reports should meet the standards of the PART—they must be outcome oriented, relate to the overall purpose of the program, and have ambitious targets.