

CIRCULAR NO. A-11

PART 6

PREPARATION AND SUBMISSION OF STRATEGIC PLANS, ANNUAL PERFORMANCE PLANS, AND ANNUAL PROGRAM PERFORMANCE REPORTS



**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
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**SECTION 200—OVERVIEW OF STRATEGIC PLANS, PERFORMANCE BUDGETS, AND
PERFORMANCE AND ACCOUNTABILITY REPORTS**

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Summary Schedule

Updated and revised strategic plan sent to Congress and OMB.....	within three years of the date of transmittal of the previous updated and revised strategic plan to Congress
FY 2011 performance budget to OMB.....	September 14, 2009
FY 2011 performance budget completed	October-December 2009 (after final appropriations action and budget appeals)
FY 2009 Performance and Accountability Reports to President and Congress.....	by November 16, 2009
FY 2009 Annual Financial Reports to President and Congress.....	by November 16, 2009
FY 2009 Summary of Performance and Financial Information Published.....	February 15, 2010
FY 2011 Congressional Budget Justification (incorporating performance Budget (APR)) sent to Congress.....	February 2, 2010
Interim adjustments to strategic plans sent to Congress.....	TBD (with performance budget for FY 2011)

Agencies should note that OMB Circular No. A-19 on legislative coordination and clearance applies to plans and reports sent to Congress.

Summary of Changes

Drops references to the Performance Assessment and Rating Tool (PART).

Describes the alternatives to the performance and accountability report (section 200.4).

200.1 Overview.

Strategic plans, annual performance plans, and annual program performance reports comprise the main elements of the Government Performance and Results Act (GPRA, or the Results Act) ([31 U.S.C. § 1115](#)). Together, these elements create a recurring cycle of reporting, planning and execution. Performance measures included in these plans should be consistent with those used in program assessments.

Agencies should prepare performance budgets, in lieu of separate annual performance plans, that satisfy all statutory requirements for the annual performance plan. Please see sections [51](#) and [220](#) for further information on performance budgets. Section [230](#) covers the preparation and submission of annual performance reports, which are included in the performance and accountability report (PAR) or the Congressional Budget Justification (CBJ)/Performance Budget for agencies that participate in the PAR pilot.

200.2 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 ([31 U.S.C. § 1115](#)). In addition to a strategic plan, GPRA requires agencies to prepare related annual performance plans and annual performance reports ([31 U.S.C. § 1115](#)). The legal requirements for an annual performance plan are met by a performance budget. The annual performance report requirement (APR) will be fulfilled by either the annual performance and accountability report (PAR) or by the CBJ for agencies that choose to produce a separate annual financial report (AFR) and APR.

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.

Section 2(b) of the Government Performance and Results Act of 1993 identified the following purposes of the Act:

- Improve the confidence of the American people in the capability of the Federal Government, by systematically holding Federal agencies accountable for achieving program results;
- 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;
- Improve Federal program effectiveness and public accountability by promoting a new focus on results, service quality, and customer satisfaction;
- 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;
- 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
- Improve internal management of the Federal Government.

200.3 Definitions.

Strategic Goal or Strategic Objective. A statement of aim or purpose included in a strategic plan (required under GPRA). In a performance budget/performance plan, strategic goals should be used to group multiple program outcome goals. Each program outcome goal should relate to and in the aggregate be sufficient to influence the strategic goals or objectives and their performance measures.

Program. A “program” shall be designated to include any organized set of activities directed toward a common purpose or goal that an agency undertakes. The term may describe an agency’s mission, functions, activities, services, projects, and processes, and is defined as an organized set of activities directed toward a common purpose or goal that an entity undertakes or proposes to carry out its responsibilities. The Government Performance and Results Act of 1993 requires that the Annual Performance Report ([31 U.S.C. § 1115](#)) contain information on program evaluations that are relevant to the agency’s efforts to achieve goals and objectives identified in its Strategic Plan or to performance measures and goals reported at the agency level. The evaluations identified should have been performed with sufficient scope, quality, and independence. The Performance Improvement Officer, established by Executive Order 13450 of November 13, 2007, will independently determine whether evaluations meet the criteria for scope, quality, and independence. Although agencies may cite rigorous evaluations commissioned independently by organizations such as the Government Accountability Office, Office of the Inspector General, or other groups, these evaluations should not completely supplant rigorous evaluations commissioned by the agencies themselves.

Performance Goal. A target level of performance over time expressed as a tangible, measurable objective, against which actual achievement can be compared. A performance goal is comprised of a performance measure with targets and timeframes.

Performance Measures. Indicators, statistics, or metrics used to gauge program performance.

Target. Quantifiable or otherwise measurable characteristic that tells how well or at what level a program aspires to perform.

Outcome Measures. Outcomes describe the intended result of carrying out a program or activity. They define an event or condition that is external to the program or activity and that is of direct importance to the intended beneficiaries and/or the public. For a tornado warning system, outcomes could be the number of lives saved and property damage averted. While performance measures must distinguish between outcomes and outputs, there must be a reasonable connection between them, with outputs supporting (i.e., leading to) outcomes in a logical fashion.

Output Measures. Outputs describe the level of activity that will be provided over a period of time, including a description of the characteristics (e.g., timeliness) established as standards for the activity. Outputs refer to the internal activities of a program (i.e., the products and services delivered). An output measure for example, could be the percentage of warnings that occur more than 20 minutes before a tornado forms.

Summary of Financial and Performance Information. A document that summarizes key performance and financial results from the prior year in a brief, user-friendly format that can be easily understood by a novice reader with little technical background in these areas.

Efficiency Measures. Effective programs not only accomplish their outcome performance goals, they strive to improve their efficiency by achieving or accomplishing more benefits for a given amount of resources. Efficiency measures reflect the economical and effective acquisition, utilization, and management of resources to achieve program outcomes or produce program outputs. They may also reflect ingenuity in the improved design, creation, and delivery of services to the public, customers, or beneficiaries by capturing the effect of intended changes made to outputs aimed to reduce costs and/or

improve productivity, such as the improved targeting of beneficiaries, redesign of goods or services for simplified customer processing, manufacturability, or delivery.

Program Assessment. A determination, through objective measurement and systematic analysis, of the manner and extent to which Federal programs achieve intended objectives.

Performance Budget. A budget presentation that clearly links performance goals with costs for achieving a target level of performance. In general, a performance budget links strategic goals with related long-term and annual performance goals (outcomes) as well as with the costs of specific activities to influence these outcomes about which budget decisions are made.

200.4 What is the alternative to the performance and accountability report?

For FY 2009, agencies may choose either to produce a consolidated PAR or to produce a separate AFR and APR. Agencies that choose to prepare separate reports will combine the APR with the annual performance plan for inclusion in the Congressional Budget Justification, and include an acknowledgement that the agency is using an alternative to the PAR.

200.5 Applicability.

For the purposes of sections 220 and 230 of this Circular, "agency" means cabinet departments and other establishments of the Federal Government, including independent agencies and Government corporations. A Government corporation is a corporation owned or controlled by the Federal Government. The Legislative Branch and the Judiciary are not subject to GPRA requirements.

Except for statutory exemption, agencies are required to submit strategic plans, annual performance budgets, and annual performance and accountability reports to the President, Congress, and OMB in accordance with these instructions.

OMB may exempt independent agencies with \$20 million or less in annual outlays from the requirements for a strategic plan, annual performance plan (performance budget), and annual program performance report. GPRA does not authorize any exemption of a component of a department or independent agency, such as a bureau or office that annually spends \$20 million or less.