

111TH CONGRESS }
2d Session }

SENATE

{ REPORT
111-372 }

GPRA MODERNIZATION ACT OF 2010

R E P O R T

OF THE

COMMITTEE ON HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

TO ACCOMPANY

H.R. 2142

TO REQUIRE QUARTERLY PERFORMANCE ASSESSMENTS OF GOVERNMENT PROGRAMS FOR PURPOSES OF ASSESSING AGENCY PERFORMANCE AND IMPROVEMENT, AND TO ESTABLISH AGENCY PERFORMANCE IMPROVEMENT OFFICERS AND THE PERFORMANCE IMPROVEMENT COUNCIL



DECEMBER 16, 2010.—Ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

JOSEPH I. LIEBERMAN, Connecticut, *Chairman*

CARL LEVIN, Michigan	SUSAN M. COLLINS, Maine
DANIEL K. AKAKA, Hawaii	TOM COBURN, Oklahoma
THOMAS R. CARPER, Delaware	SCOTT P. BROWN, Massachusetts
MARK L. PRYOR, Arkansas	JOHN McCAIN, Arizona
MARY L. LANDRIEU, Louisiana	GEORGE V. VOINOVICH, Ohio
CLAIRE McCASKILL, Missouri	JOHN ENSIGN, Nevada
JON TESTER, Montana	LINDSEY GRAHAM, South Carolina
CHRISTOPHER A. COONS, Delaware	MARK KIRK, Illinois

MICHAEL L. ALEXANDER, *Staff Director*

KEVIN J. LANDY, *Chief Counsel*

KRISTINE V. LAM, *Professional Staff Member*

BENJAMIN B. RHODESIDE, *Professional Staff Member, Subcommittee on Oversight of Government Management, the Federal Workforce, and the District of Columbia*

JOHN G. COLLINS, *Professional Staff Member, Subcommittee on Federal Financial Management, Government Information, Federal Services, and International Security*

BRANDON L. MILHORN, *Minority Staff Director and Chief Counsel*

AMANDA WOOD, *Minority Director for Governmental Affairs*

LISA M. NIEMAN, *Minority Counsel*

TRINA DRIESSNACK TYRER, *Chief Clerk*

Calendar No. 678

111TH CONGRESS }
2d Session }

SENATE

{ REPORT
{ 111-372

GPRA MODERNIZATION ACT OF 2010

DECEMBER 16, 2010.—Ordered to be printed

Mr. LIEBERMAN, from the Committee on Homeland Security and
Governmental Affairs, submitted the following

R E P O R T

[To accompany H.R. 2142]

[Including cost estimate of the Congressional Budget Office]

The Committee on Homeland Security and Governmental Affairs, to which was referred the bill (H.R. 2142) to require quarterly performance assessments of Government programs for purposes of assessing agency performance and improvement, and to establish agency performance improvement officers and the Performance Improvement Council, having considered the same, reports favorably thereon with an amendment in the nature of a substitute, and recommends that the bill, as amended, do pass.

CONTENTS

	Page
I. Purpose and Summary	1
II. Background and Need for the Legislation	2
III. Legislative History	14
IV. Section-by-Section Analysis	14
V. Evaluation of Regulatory Impact	20
VI. Congressional Budget Office Cost Estimate	21
VII. Changes in Existing Law Made by the Bill, as Reported	22

I. PURPOSE AND SUMMARY

The Government Performance and Results Act of 1993¹ (GPRA) created a thorough and comprehensive framework for federal government strategic planning and performance reporting. Since its enactment, GPRA has helped improve the efficiency and effectiveness of federal programs by requiring that agencies establish a system to set goals for program performance and measure results.

¹ P.L. 103-62.

However GPRA needs to be improved and updated to take advantage of the latest technologies and to apply lessons learned from nearly two decades of implementation. H.R. 2142 will modernize and refine the requirements established by GPRA in order to produce more frequent, relevant data which can then inform decision makers and agency operations.

II. BACKGROUND AND NEED FOR THE LEGISLATION

During the 103rd Congress, this Committee acted on concerns—among its members as well as the public—that the federal government was not working as well as it should.² Sharing the public’s frustration and following its previous legislative and oversight work to address waste, inefficiency, and ineffectiveness in federal programs, the Committee considered S. 20, the Government Performance and Results Act (GPRA). At the time, the Committee believed that the regular and systemic measurement and reporting of program performance, compared to pre-established goals, would be valuable to the federal government (including Congress) and provide a beneficial supplement to the Committee’s previous work in the area of management improvement.³

GPRA sought to promote greater efficiency, effectiveness, and accountability in federal spending by establishing a new framework for performance management and budgeting in federal agencies. Additionally, GPRA was intended to improve congressional decision making by providing objective information on the relative efficiency and effectiveness of federal programs and spending.⁴ The law requires three types of ongoing planning, evaluation, and reporting requirements for executive branch agencies: strategic plans, annual performance plans, and annual reports on program performance. It also requires that agencies consult with Congress when developing a strategic plan, and consider views of other interested stakeholders. GPRA implementation, combined with other statutory efforts in the 1990s addressing long-standing management problems,⁵ has provided a powerful framework for developing and integrating information about agencies’ strategic priorities, the results-oriented performance goals that flow from those priorities, performance data to show the level of achievement of those goals, and the relationship of reliable and audited financial information and information technology investments to the achievement of those goals.⁶

In 2004, after a decade of implementation, Congress asked the Government Accountability Office (GAO) to assess GPRA. The resulting report concluded that the statutory requirements under GPRA “have established a solid foundation of results-oriented performance planning, measurement, and reporting in federal government.”⁷ However, GAO also found serious weaknesses in the implementation of GPRA, such as the lack of detail in required plans

²At that time, the Committee was known as the Governmental Affairs Committee.

³U.S. Senate Committee on Governmental Affairs, *Government Performance and Results Act, 1993 (to S. 20), Together with Dissenting and Separate Views*, (103 S. Rpt. 103–58), p. 2.

⁴GPRA, 2(a)(1) and 2(b)(5).

⁵This includes the Chief Financial Officers Act of 1990 (P.L. 111–204), as amended by the Government Management Reform Act of 1994 (P.L. 103–356), and information technology reform legislation, including the Paperwork Reduction Act of 1995 (P.L. 104–13) and the Clinger-Cohen Act of 1996 (P.L. 104–106).

⁶GAO, *Results-Oriented Government: GPRA Has Established a Solid Foundation for Achieving Greater Results*, GAO–04–38 (Washington, D.C.: March 10, 2004) p. 25.

⁷*Ibid.*, “Highlights.”

on how performance goals relate to strategic goals. Additionally, GAO found that agencies were not coordinating their efforts in order to address common challenges and achieve common objectives.⁸ GAO noted that such mission fragmentation and overlap among agencies makes it particularly difficult to address cross-cutting national issues, such as homeland security, drug control, and the environment.⁹ Finally, GAO also found that timing issues may hinder the development of useful agency strategic plans. Specifically, agencies are often required to update strategic plans just before a presidential election and without input from a new Congress. If a new president is elected, the updated plan is essentially moot and does not have the commitment and sustained attention of top leadership within the agency.¹⁰

H.R. 2142 addresses these weaknesses by amending GPRA to: require the Office of Management and Budget to provide government-wide priority goals; increase the frequency and enhance quality of agency reporting; and improve the transparency of performance reporting. The bill also improves federal performance management by establishing a Chief Operating Officer (COO) within each agency tasked with improving the performance of his or her agency. It also codifies and strengthens the existing resources for performance management, including the Performance Improvement Officers (PIOs) within the federal agencies and the interagency Performance Improvement Council (PIC).¹¹

Agency Strategic Plans

Strategic plans are the starting point and basic underpinning for a system of program goal-setting and performance measurement that will be established throughout the federal government. A multi-year strategic plan articulates the fundamental mission (or missions) of an organization, and lays out its long-term general goals for implementing that mission, including the resources needed to reach these goals.¹² GPRA requires agencies to develop strategic plans with long-term outcome-oriented goals and objectives, annual goals linked to achieving the long-term goals, and annual reports on the goals achieved. Under GPRA, an agency is currently required to develop a strategic plan at least every three years to cover the following five year period. This reporting timeframe for updating strategic plans does not correspond to presidential terms. It makes little sense to require an update of a strategic plan shortly before a new administration is scheduled to take office, as changes in political leadership often result in new objectives and can render preexisting plans unuseful.

H.R. 2142 addresses this issue by modifying the schedule for revising agency strategic plans to align with presidential terms. The bill requires strategic plans cover a period of no less than four years and allows the agency to make adjustments to the plan to reflect significant changes in its operating environment, with appro-

⁸*Ibid.*, p. 7.

⁹*Ibid.*, p. 9.

¹⁰*Ibid.*, p. 15.

¹¹The PIO position and the PIC currently exist in the federal government, having been established by Executive Order 13450, *Improving Government Program Performance*, on November 13, 2007, available at <http://georgewbush-whitehouse.archives.gov/news/releases/2007/11/20071113-9.html>, last accessed on November 24, 2010.

¹²Committee on Governmental Affairs, *Government Performance and Results Act, 1993, (to S. 20), Together with Dissenting and Separate Views*, (103 S. Rpt. 103–58), p. 15.

ropriate notification to Congress. This is not to mean that an agency should frequently modify its existing strategic plans; rather the intent of this change is to provide agencies the flexibility to respond to an event that significantly changes the operating environment.

This legislation also amends existing GPRA requirements for the contents of an agency strategic plan. As specified in the law and subsequent guidance from the Office of Management and Budget (OMB) and GAO, an agency's strategic plan must contain six key components:

- a comprehensive agency mission statement;
- agency-wide long-term goals and objectives for all major functions and operations;
- approaches or strategies to achieve the goals and objectives and the various resources needed;
- a description of the relationship between the long-term goals and objectives and the annual performance goals;
- an identification of key factors, external to the agency and beyond its control, that could significantly affect the achievement of the strategic goals; and
- a description of how program evaluations were used to establish or revise strategic goals, and a schedule for future program evaluations.¹³

H.R. 2142 requires agencies to describe how any goals and objectives in its strategic plan contribute to the crosscutting federal government priority goals required by this legislation. This mandate seeks to ensure that agency goals align with broader federal efforts on that mission, and to provide greater clarity regarding the impact of employee efforts on overarching goals.

Across the federal government, various agencies operate similar or related programs. GAO has found that mission fragmentation and program overlap are widespread across the government and that addressing this challenge is essential to the success of national strategies in areas such as homeland security, drug control, and the environment.¹⁴ Without appropriate coordination, such programs may be implemented in a fragmented manner which wastes scarce resources, confuses citizens, and limits the overall effectiveness of the federal effort. H.R. 2142 requires an agency to describe how it is working with other agencies to achieve its own goals and objectives, as well as the crosscutting priority goals of the federal government.

One of the original goals of GPRA was to strengthen the collaboration between Congress and the federal agencies to improve government performance. For its part, Congress needs more objective information on the relative effectiveness and efficiency of federal programs and spending. The Committee expressed the importance of Congressional consultation in its report on GPRA in 1993: "particularly during this time of very tight budget constraints, it is important that Congress develop a clear understanding of what it is getting in the way of results from each dollar spent, and how those results would change with an increase or decrease in funding. In

¹³U.S. Government Accountability Office, *Agencies' Strategic Plans Under GPRA: Key Questions to Facilitate Congressional Review*, GAO Report GGD-10-1-16 (Washington: GAO, 1997), p. 9.

¹⁴GAO, *Results-Oriented Government: GPRA Has Established a Solid Foundation for Achieving Greater Results*, GAO-04-38 (Washington, D.C.: March 10, 2004), p. 92.

all likelihood, Congress will face difficult, wrenching budget decisions for years to come. But even if the budget were balanced, and revenues strong, this information would be important in the making of wise spending decisions.”¹⁵

GPRA also established a consultation process so that agencies could take Congressional views into account as appropriate. However, little evidence exists that agencies have formally or significantly considered the input of key stakeholders when developing goals and objectives. In waiting to consult with relevant congressional stakeholders until a strategic plan has been substantially drafted and vetted within the executive branch, agencies forego important opportunities to learn early on about specific concerns that will be critical to successful implementation. Therefore, this Committee again strongly emphasizes that Congressional consultations are to take place during the development of the plan—not after.

H.R. 2142 strengthens the Congressional consultation process by encouraging agencies to describe how agency goals and objectives incorporate the views and suggestions obtained through consultations with Congress. This legislation clarifies that the agency shall periodically consult with and obtain majority and minority views from its authorizing, appropriations, and oversight committees when developing or making adjustments to its strategic plan. It also requires Congressional consultations occur at least once every two years; this is to ensure that each Congress has input on the goals, objectives, strategies, and performance measures of the agency. Moreover, it allows the agency to have an opportunity to provide a progress report on its performance and ensures that various committees are getting the types of performance information they need.

Agency Performance Plans

Building on the decisions made as part of the strategic planning process, GPRA requires executive agencies to develop annual performance plans covering each program activity in the agencies' budgets. Each plan should contain an agency's annual performance goals and associated measures to gauge its progress toward its strategic goals. OMB should then incorporate these performance plans to develop an overall federal government performance plan that will be submitted with the President's budget. The overall plan is intended to present Congress with a single cohesive picture of the federal government's annual performance goals for a given fiscal year.¹⁶

GAO has stated that a clear relationship should exist between an agency's long-term strategic goals and mission and the performance goals in the annual performance plan.¹⁷ H.R. 2142 requires an agency to describe how the performance goals contained in its performance plan contribute to the goals and objectives established in the agency's strategic plan, as well as any overall federal government performance goals. Additionally, this legislation requires that an agency's performance plan cover a two-year period, including

¹⁵ Committee on Governmental Affairs, *Government Performance and Results Act, 1993 (to S. 20), Together with Dissenting and Separate Views*, (103 S. Rpt. 103–58), p. 18.

¹⁶ GAO, *Results-Oriented Government: GPRA Has Established a Solid Foundation for Achieving Greater Results*, GAO-04-38 (Washington, D.C.: March 10, 2004), p. 26.

¹⁷ GAO, *The Results Act: An Evaluator's Guide to Assessing Agency Annual Performance Plans*, GAO/GGD-10.1.20 (Washington, D.C.: April 1998).

both the current fiscal year and the next one. Under existing law, an agency's performance plan is only required to cover the next fiscal year. Adding the current year requirement will enable an agency to update its current year goals, milestones, and strategies to reflect actual resources and any changes in the operating environment that differ from what was expected when the original plan was submitted the previous year. This, in turn, will provide a more up-to-date context for evaluating the goals for the upcoming fiscal year.

The key to improving performance accountability is to document the results agencies have achieved compared to the goals they have established. Therefore, H.R. 2142 requires an agency to provide additional information about how the agency plans to achieve its performance goals by identifying clearly defined milestones, the agency officials responsible for ensuring each goal is achieved, and the program activities, regulations, policies and other activities that support each goal. Without a clear description of the strategies and resources an agency plans to use, it will be difficult for Congress to assess the likelihood of the agency's success in achieving its intended results.¹⁸ By describing the strategies to be used to achieve results and the resources to be applied to those strategies, the performance plan can help Congress understand and assess the relationship between the agency's resources and results.

Credible performance information is essential for accurately assessing an agency's progress towards its goals and, in cases where goals are not met, identifying opportunities for improvement or whether goals need to be adjusted. In order to improve the credibility of performance data, H.R. 2142 requires an agency to provide additional information about how it will ensure the validity and reliability of such data.

Performance plans must also analyze how program activities contribute to the agency's mission and goals. Inevitably, some program activities may not contribute or have limited contributions to an agency's annual performance goals and will be designated as low-priority program activities. The Committee expects that agencies will take actions to address these low-priority program activities, which could include retooling the program activities where authorized, requesting legislative changes to improve the program activities, or proposing their termination or consolidation with any similar program activities.

H.R. 2142 requires agencies to provide a performance update at least annually, occurring no later than 150 days after the end of the fiscal year. However, agencies are encouraged to provide more frequent updates that would provide significant value to the federal government, Congress, or other key stakeholders. This legislation also requires the agency to post its performance plan on the agency website concurrent with the submission of the budget for the United States Government. This is a change from the existing GPRA requirement that the plans simply be submitted to the President and Congress.

H.R. 2142 addresses an omission from the original GPRA law, which did not specify how or where agencies should report on the

¹⁸GAO, *Agencies' Annual Performance Plans under the Results Act: An Assessment Guide to Facilitate Congressional Decisionmaking*, GAO/GGD/AIMD-10.1.18 (Washington, D.C.: February 1998).

performance of any classified activities, even though it did allow for a classified annex. To this end, the bill clearly requires that agencies provide performance updates for classified program activities in the classified appendix of the agency performance plan.

Federal Government Performance Plan and Priority Goals

In its ten year review of GPRA, GAO recommended that Congress require the development of a government-wide strategic plan in order to provide a framework for identifying long-term goals and strategies to address issues that cut across federal agencies.¹⁹ Such a plan would provide a cohesive perspective on the long-term goals of the federal government and provide a much needed basis for fully integrating, rather than merely coordinating, a wide array of federal activities. In the past, OMB has noted that the budget serves as a government strategic plan. However, this Committee agrees with GAO's assessment that the President's Budget focuses on establishing agency budgets for the upcoming fiscal year and provides neither a long-term nor an integrated perspective on federal government activities.²⁰ Rather than explicitly requiring such a strategic plan, H.R. 2142 enhances the existing requirements for a federal government performance plan, establishes the development of federal government priority goals, and requires agencies to have their own priority goals in order to achieve those federal government priority goals. These three important measures, alongside requirements for quarterly progress reviews and web-based reporting, set up a government-wide strategic and planning process.

Federal Government Performance Plan: GPRA currently requires that beginning with the fiscal year 1999 budget submission, the annual budget of the U.S. Government include a federal government performance plan. The plan was intended to present a single cohesive picture of the federal government's annual performance goal for the fiscal year. GPRA allows the plan to be integrated with the detailed budget estimates, appear as an individual part of the main budget document, or be submitted separately. Additionally, this Committee intended that the performance plan be submitted coincident with the principal budget documents so that Congress would have this plan available when reviewing the agency budget estimates.²¹ Under the law, the Director of OMB (the Director) has discretion in determining the best manner and most useful format for submitting the performance plan. However, OMB has not opted to issue a distinct federal government performance plan since fiscal year 1999. In that year, GAO found that the federal government performance plan was a derivative document that compiled agency-level plans and reflected budget and management decisions made throughout the process of formulating the President's budget submission.²²

H.R. 2142 stresses the importance of a federal government performance plan and enhances requirements for the plan to address crosscutting program efforts. Focusing broadly on government-wide

¹⁹ GAO, *Results-Oriented Government: GPRA Has Established a Solid Foundation for Achieving Greater Results*, GAO-04-38 (Washington, D.C.: March 10, 2004), p. 20.

²⁰ *Ibid.*, p. 111.

²¹ Committee on Governmental Affairs, *Government Performance and Results Act, 1993 (to S. 20), Together with Dissenting and Separate Views*, (103 S. Rpt. 103-58), p. 27.

²² GAO, *The Results Act: Assessment of the Government-wide Performance Plan for Fiscal Year 1999*, GAO/AIMD/GGD-98-159 (Washington, D.C.: September 8, 1998), p. 6.

outcomes should be a central and distinguishing feature of the federal government performance plan.²³ The bill requires that:

- the plan establish performance goals for each crosscutting federal government priority goal;
- OMB identify the various agencies, organizations, program activities, regulations, tax expenditures, policies and other activities that contribute to each federal government performance goal;
- a lead government official be assigned for each federal government performance goal;
- OMB establish common federal government performance indicators to measure and assess progress across agencies toward shared goals; and
- OMB identify government and cross-agency management challenges and plans to address such challenges.

Federal Priority Goals: H.R. 2142 also establishes requirements for federal government priority goals. Unfortunately, GPRA compliance currently is largely an independent exercise among agencies, with agency performance plans largely focused on goals directly related to agency statutory missions. H.R. 2142 requires the Director of OMB to work with agencies to develop federal government priority goals that aim to improve performance and management across the federal government. The crosscutting policy goals are required to be outcome-oriented and limited in number to ensure that there is ample focus on achieving these goals over time. The management-related goals should cover management functions where significant improvements are needed across the federal government, such as information technology, human capital, and financial management. Recognizing that achieving the federal government priority goals will require sustained focus over a period of time, the goals are required to be long-term in nature and updated or revised at least every four years. Under H.R. 2142 the Director is able to make adjustments to the goals should there be significant changes in the federal government's operating environment. However, the Committee expects that many of these goals will stay constant over time, including across Administrations, since these challenges are not likely to be overcome during a four year period.

Successful strategic planning requires the involvement of key stakeholders. This collaboration can serve as a mechanism for building consensus and provides a vehicle for the President to articulate long-term goals and a road map for achieving them.²⁴ Therefore, when developing or adjusting the goals, and at least once each Congress, the Director is required to consult with key congressional committees and obtain both majority and minority views on the draft goals.

The federal government priority goals should complement the federal government performance plan, effectively functioning as a government-wide strategic plan. This legislation also addresses the need to increase transparency by providing a process for developing the federal government priority goals and making them available to the public. H.R. 2142 requires that the goals be developed or revised at least once every four years and be made publicly available

²³ GAO, *Results-Oriented Government: GPRA Has Established a Solid Foundation for Achieving Greater Results*, GAO-04-38 (Washington, D.C.: March 10, 2004), p. 94.

²⁴ *Ibid.*, p. 105.

concurrently with the submission of the budget of the United States Government in the second year of a President's term. At a minimum, the Committee expects the goals will be posted on the government-wide performance website provided for in this legislation.

Agency Priority Goals: In order for the federal government to make progress towards and eventually achieve its priority goals, agencies must align their goals with those of the federal government. H.R. 2142 requires the head of each agency²⁵ to identify agency priority goals from among the agency's performance goals. The Director of OMB would have authority to determine the total number of agency priority goals across the federal government, as well as the number of priority goals to be developed by each agency. The Committee expects the total number of federal goals will not exceed 100 and agency goals will not exceed five per agency, while acknowledging variation may exist depending on the size and mission of a given agency.

As the name implies, agency priority goals should reflect the agency's highest priorities, as determined by the head of the agency. Such goals should be informed by any federal government priority goals to which the agency contributes. The priority goals have a two year timeframe, with ambitious but achievable performance targets and milestones. These should be "stretch" goals—the agency should set the goal to exceed its normal level of performance, but within reasonable reach. Although the language of the bill states that the goals are to be achievable, the Committee understands that external factors may cause agencies to fall short at times and a certain percentage of missed goals is acceptable. Since agency will likely select some complex and long-term challenges as target for improvement, the Committee expects that many priority goals will continue from a given two year cycle to the next, with updated performance targets and milestones all leading to a clearly defined end state. As with each of the agency's other performance goals, each priority goal should have a clearly identified leader who is responsible for reaching the given goal.

Establishing Agency-Level Chief Operation Officer

In 2002, GAO convened a roundtable to discuss the Chief Operation Officer (COO) concept and how it might apply within federal agencies as one strategy to address certain systemic federal governance and management challenges. Participants generally agreed that agency COOs could help increase attention to management issues and transformational change, integrate various key management and transformation efforts, and institutionalize accountability for addressing management issues and leading transformational change.²⁶

Two Presidential memoranda—one on October 1, 1993 and an update on July 11, 2001—outlined a COO position within the fed-

²⁵This legislation limits these agencies to the 24 CFO Act agencies, or as otherwise determined by the Director of OMB.

²⁶GAO, *Highlights of a GAO Roundtable on the Chief Operating Officer (COO) Concept: A Potential Strategy to Address Federal Governance Challenges*, GAO-03-192SP (Washington, D.C.: October 4, 2002), p. 8.

eral government.²⁷ Both memoranda provided the COO with responsibilities to improve the management and performance of the agency, and implement the agency mission and goals. H.R. 2142 keeps those responsibilities and adds others to bring them in line with the planning and reporting requirements provided in this legislation. H.R. 2142 would codify that the deputy head of an agency, or equivalent, shall be an agency's COO and given overall responsibility for improving the management and performance of the agency. The COO would also assist the head of the agency in carrying out the planning and reporting requirements of this bill, oversee agency-specific efforts to improve management within the agency and across the federal government, and coordinate with relevant personnel within and external to the agency who have a significant role in contributing to the mission and goals of the agency.²⁸

Both Presidential Memoranda mentioned above also established the President's Management Council (PMC), led by the Deputy Director for Management of OMB and composed of various agency COOs. The PMC has general responsibilities aimed at improving federal government management. Although H.R. 2142 does not codify the PMC, the Committee expects that the management council will continue to exist and continue to be responsible for improving management across the federal government. The PMC could also play an important role in ensuring that relevant agencies and other interagency councils effectively coordinate efforts to achieve the federal government priority goals.

Establishing Agency-Level Performance Improvement Officer and the Performance Improvement Council

H.R. 2142 also establishes in statute the position of a Performance Improvement Officer (PIO) at each agency. The PIO position currently exists in the federal government, having been established by *Executive Order (E.O.) 13450, Improving Government Program Performance*, on November 13, 2007.²⁹ Although the bill codifies parts of the Executive Order into statute, it also makes changes to the responsibilities of a PIO in order to align the position with planning and reporting requirements provided in this legislation.

H.R. 2142 directs the head of each agency to designate a senior executive of the agency as the agency PIO. In requiring that the PIO be selected from among the agency's senior executives, the bill attempts to ensure continuity for this position over time in order to help the agency focus on achieving its long-term goals. This long-term focus is especially important because the tenure of political appointees in top leadership positions within an agency usually lasts only a few years.

The bill also establishes in statute a government-wide Performance Improvement Council (PIC), comprising the Deputy Director

²⁷The White House, *Presidential Memorandum, Implementing Management Reform in the Executive Branch*, (Washington, D.C.: October 1, 1993), available at <http://govinfo.library.unt.edu/npr/library/direct/memos/2552.html>, last accessed on November 24, 2010. The White House, *Presidential Memorandum, Implementing Government Reform*, (Washington, D.C.: July 11, 2001), available at <http://georgewbush-whitehouse.archives.gov/news/releases/2001/07/20010711-5.html>, last accessed on November 24, 2010.

²⁸These include officials such as the Chief Acquisition Officer, Chief Financial Officer, Chief Human Capital Officer, Chief Information Officer, and other line of business chiefs.

²⁹The White House, *Executive Order 13450, Improving Government Program Performance*, (Washington, D.C.: November 13, 2007), available at <http://georgewbush-whitehouse.archives.gov/news/releases/2007/11/20071113-9.html>, last accessed on November 24, 2010.

for Management of OMB, who serves as the chairperson, the PIOs from each of the 24 CFO Act agencies, other agency PIOs and other individuals as determined appropriate by the chairperson. The PIC was originally established under E.O. 13450. H.R. 2142 enhances the responsibilities of the PIC, directing it to coordinate performance and management activities with other interagency management councils.³⁰ The Committee expects that other interagency management councils will take lead responsibility for implementing the management improvement-related federal government priority goals (i.e., the Chief Financial Officers Council will be responsible for the financial management-related goal), with the PIC assisting the other councils and monitoring progress toward the goals.

Reviewing federal government and agency priority goals

H.R. 2142 attempts to lay out a process for reviewing progress towards the federal government priority goals on, at minimum, a quarterly basis. For each federal government priority goal, the Director of OMB should review the progress achieved during the most recent quarter and the likelihood of meeting the performance target. As a part of these reviews, the Director of OMB and the PIC must categorize the federal government priority goals according to the risk of not meeting performance targets, and for those at greatest risk, identify strategies to improve performance.

The Director of OMB and the PIC are also required to assess whether the agencies, organizations, program activities, regulations, tax expenditures, policies and other activities are contributing as planned to each federal government priority. By looking at the contribution of each underlying federal entity and type of federal intervention, the Director of OMB and the PIC may be able to identify successful practices that could be replicated by other agencies to improve their results and contributions to the overall federal government priority goal. This assessment process may also reveal federal activities that are duplicative or even working at cross-purposes.

H.R. 2142 provides an analogous review process at each agency required to develop priority goals. For each agency priority goal, the head of the agency and the COO, with the support of the agency PIO, reviews the progress achieved during the most recent quarter and the likelihood of meeting the performance target. The reviews should include the designated leader for each agency priority goal, and relevant personnel within and external to the agency. The reviews should also highlight and strategize regarding high risk areas—in other word, where there is the greatest risk of not meeting a priority goal. Further, the head of the agency, COO, and PIO must assess whether the relevant organizations, program activities, regulations, policies and other activities are contributing as planned to each agency priority.

This approach is aimed at increasing the use of performance information to improve performance and results. Through government-wide surveys of federal managers between 1997 and 2007, GAO found that although federal managers reported they had more performance measures in 2007 than in 1997, their reported use of

³⁰ Examples include the Chief Acquisition Officers Council, the Chief Financial Officers Council, the Chief Human Capital Officers Council, the Chief Information Officers Council, and the Federal Real Property Management Council.

the performance information collected by those measures had not changed significantly during that ten year period.³¹ Agencies are collecting a significant amount of information, but are not consistently using that information to improve their management and results.

Web-based reporting

This legislation requires OMB to develop a single government-wide performance website by 2012 that will feature performance information outlined in the bill and provided by the agency. The bill further requires that OMB issue guidance to agencies on providing performance information for publication on this website. In addition, agencies are required to produce all strategic plans, performance plans, and performance reports in searchable, machine-readable formats beginning in fiscal year 2012.

H.R. 2142 also attempts to reduce unnecessary and duplicative printed reports by prohibiting the printing of strategic plans, performance plans, and performance reports for external release, except when being provided to Congress. The public will be able to access these plans and reports on the government-wide performance website established in this bill.

H.R. 2142 additionally requires each agency's COO to compile a list of all plans and reports the agency produces for Congress, either by law or as directed in congressional reports, and identify outdated or duplicative requirements. The bill then provides that the President submit to Congress, concurrent with the submission of the budget of the United States government, a list of the plans and reports that the agencies identified as outdated or duplicative and authorizes the Director of OMB to concurrently submit a legislative proposal to eliminate or consolidate these outdated and duplicative plans.

Office of Personnel Management

GPRA previously required the Office of Personnel Management (OPM) to develop a strategic planning and performance measurement training component for its management training program. In a 2007 survey of federal managers, GAO found that since 1997, while there has been a significant increase in training, only about half of GAO's survey respondents in 2007 reported receiving any training that would assist in strategic planning and performance assessment.³²

H.R. 2142 calls for the Director of OPM, in consultation with the PIC, to identify key skills and competencies related to performance management in the federal government. This is an important step to ensure that agencies are able to train their personnel to effectively use performance measurement building capabilities for continued performance planning. It is essential to build analytical capacity to use performance information and to ensure its quality in order to use that performance information in a meaningful fashion to improve government. GAO has previously noted the value of pro-

³¹ GAO, *Government Performance: Lessons Learned for the Next Administration on Using Performance Information to Improve Results*, GAO-08-1026T (Washington, D.C.: July 24, 2008), "What GAO Found."

³² GAO, *Government Performance: Lessons Learned for the Next Administration on Using Performance Information to Improve Results*, GAO-08-1026T (Washington, D.C.: July 24, 2008), p. 16.

viding training on setting program performance goals and the use of performance information, and recommended that OMB ensure that agencies are making adequate investments in such training.³³ This requirement will help ensure that relevant agency personnel have access to such training.

Implementation

One reason GPRA differed from prior performance initiatives is that it was phased in over time. The federal government performance initiatives that preceded GPRA were typically implemented government-wide within a single year. GPRA, in contrast, provided a multiyear and iterative government-wide implementation process that incorporated pilot tests and formal evaluations of key concepts. In this manner, GPRA increased the potential for integration of planning, budgeting, and performance measurement while guarding against the unreasonably high expectations that plagued earlier initiatives.³⁴ H.R. 2142 continues this successful aspect of GPRA by providing timeframes for implementing this Act, including interim planning and reporting activities. In addition, the bill requires GAO to evaluate interim activities and recommend improvements for full implementation.

Congressional oversight and legislation

H.R. 2142 reiterates a clause from GPRA that nothing in this Act shall be construed as limiting Congress' ability to establish, amend, suspend, or annul, any federal government or agency goals. In addition, the bill provides for several GAO reviews of this Act's implementation over time. The Committee expects that in addition to identifying needed improvements and making recommendations to enhance implementation, GAO will identify in these reports promising practices found at certain agencies that could be replicated at other agencies to improve their results and performance management.

Inherently governmental functions

This Committee notes that while H.R. 2142 seeks to modernize and refine key aspects of GPRA, the statutory foundation established by GPRA remains intact. The enactment of GPRA marked a key moment in federal government performance management initiatives by elevating management to a priority for both the Executive Branch and Congress. This Committee was the prime mover behind the development and passage of GPRA in 1993, and the Committee has taken great care to protect GPRA provisions proven to be beneficial and effective over the years. This bill makes targeted amendments to specific parts of GPRA, while leaving many GPRA provisions, and the accompanying Congressional intent, intact and unchanged. The Committee recognizes that the Congressional intent behind GPRA provisions left unchanged or modified for technical and conforming reasons (including where the Committee extended existing GPRA standards to apply to new compo-

³³ GAO, *Results-Oriented Government: GPRA Has Established a Solid Foundation for Achieving Greater Results*, GAO-04-38 (Washington, D.C.: March 10, 2004), pp. 9-10.

³⁴ GAO, *Performance Budgeting: Past Initiatives Offer Insights for GPRA Implementation*, GAO/AIMD-97-46 (Washington, D.C.: March 27, 1997), p. 4.

nents established by H.R. 2142 that did not exist in 1993) will continue to apply as it has since the enactment of GPRA in 1993.

For example, the Committee chose not to change the language and accompanying Congressional intent of the GPRA provisions that declare the preparation of an agency strategic plan, annual performance plan, or annual program performance report, to be an inherently governmental function. The GPRA Committee Report defines this as a “function that is so intimately related to the public interest as to mandate performance by Government employees,” while clearly stating that although GPRA specifies government employees are solely to be responsible for the final plan or report, this does not limit agencies from being assisted by non-federal parties, such as contractors or grantees, in the preparation of these plans and reports.³⁵ Thus, the 1993 GPRA standards addressing the issue of inherently governmental functions have simply been extended to apply to the inherently governmental provisions in H.R. 2142, located in section 306(e) of title 5, United States Code, as well as sections 1115(f), 1116(e), and 1120(c) of title 31, United States Code.”³⁶

III. LEGISLATIVE HISTORY

Representative Henry Cuellar introduced H.R. 2142 in the House of Representatives on April 28, 2009. The House passed H.R. 2142 on June 16, 2010 by voice vote.

On June 17, 2010, H.R. 2142 was received in the Senate, read twice, and referred to the Committee on Homeland Security and Governmental Affairs. On September 29, 2010 the Committee considered the measure, and Senator Carper offered an amendment in the nature of a substitute, which was adopted by voice vote. The Committee then adopted the bill as amended by voice vote and ordered it favorably reported to the Senate. Members present for the vote on the substitute amendment, and the vote on the bill as amended, were Senators Lieberman, Collins, Akaka, Carper, Pryor, Tester, Burris, Kaufman, and Brown.

IV. SECTION-BY-SECTION ANALYSIS

Section 1. Short title

This section provides the short title of the bill, the GPRA Modernization Act of 2010.

Section 2. Strategic planning amendments

This section requires federal agencies to post their strategic plan on the agency’s website no later than the first Monday in February in the second year of a Presidential term. This section also revises the schedule for agency strategic plans to align with presidential terms.

In addition, this section sets out requirements for the contents of an agency’s strategic plan, including a comprehensive mission

³⁵ Committee on Governmental Affairs, *Government Performance and Results Act, 1993 (to S. 20). Together with Dissenting and Separate Views*, (103 S. Rpt. 103–58), p. 25.

³⁶ For technical and conforming reasons, the Committee extended existing inherently governmental GPRA standards to the new federal government and agency priority goals created by this bill in section 31 U.S.C. §1120(c), as well as the new section 31 U.S.C. §1116(e), which updates agency performance ‘reports’ to be referred to as agency performance ‘updates,’ in accordance with H.R. 2142.

statement and general goals and objectives. The agency is also required to describe in its strategic plan how any goals and objectives in its plan contribute to the crosscutting federal government priority goals added by section 5 of the bill and to describe how the goals and objectives incorporate the views and suggestions obtained through Congressional consultations.

Strategic plans are required to cover a period of no less than four years and this section allows the agency to make adjustments to the plan to reflect significant changes in its operating environment, with appropriate notification of Congress. In addition, this section requires the agency to consult with and obtain majority and minority views from the relevant authorizing, appropriations, and oversight committees when developing or making adjustments to its strategic plan; these congressional consultations are required to occur at least once every two years. The agency must also consider the views of other key stakeholders.

Section 3. Performance planning amendments

This section amends section 1115 of title 31, U.S. Code, which is re-titled “Federal Government and Agency Performance Plans.”

This section expands on the existing GPRA requirement for a federal government performance plan. It requires the Director of OMB to coordinate with agencies to develop the plan, which (1) establishes performance goals for each federal government priority goal; (2) identifies the various agencies, organizations, program activities, regulations, tax expenditures, policies, and other activities that contribute to each federal government performance goal; (3) identifies a lead government official for each federal government performance goal; (4) establishes common federal government performance indicators to measure and assess progress; and (5) identifies government-wide and cross-agency major management challenges and plans to address such challenges.

This section also requires the agency to post its performance plan on the agency website concurrent with the submission of the budget for the United States Government. The agency performance plan is to include performance goals for both the fiscal year in which the plan is submitted as well as the next fiscal year.

In addition, this section requires the agency to describe how the performance goals contained in the plan contribute to the goals and objectives established in the agency’s strategic plan, as well as any federal government performance goals contained in the federal government performance plan. The agency is required to identify which, if any, performance goals are designated as agency priority goals. It must also explain how the agency plans to achieve its performance goals, including by identifying clearly defined milestones; agency officials—referred to as goal leaders—responsible for ensuring each goal is achieved; the human, capital and information resources required to meet the performance goals; and the organizations program activities, regulations, policies and other activities that support each goal. The agency must also describe how it is collaborating and coordinating with other agencies to achieve its performance goal as well as relevant federal government performance goals.

This section amends an existing requirement and directs agencies to develop a balanced set of performance indicators to measure

or assess progress toward each performance goal, including customer service, efficiency, output, and outcome indicators. It also requires agencies to provide additional information about how it will ensure the validity and reliability of its performance data. Further, it requires the agency to identify its major management challenges and identify how it plans to address those challenges.

This section also requires the agency to identify low-priority program activities based on an analysis of the program activities' contribution to the agency's mission and goals.

If an agency, in consultation with the Director of OMB, determines that it is not feasible to express the performance goals for a particular program activity in an objective, quantifiable, and measurable form, this section allows the Director of OMB to authorize an alternative form. Such an alternative program must include detailed information that would allow for an accurate, independent determination of whether the program activity's performance is a minimally effective program or a successful program.

This section also provides new definitions for terms added by this bill, including "crosscutting," "customer service measure," "efficiency measure," and "milestone."

Section 4. Performance reporting amendments

This section amends section 1116 of title 31, United States Code, which is re-titled "Agency Performance Reporting."

This section requires the head of the agency to make agency performance updates available on the agency's public website. It also requires the agency to provide a performance update at least annually, occurring no later than 150 days after the end of the fiscal year, with agencies encouraged to provide more frequent updates for performance indicators that provide significant value to the federal government, Congress, or other key stakeholders, at a reasonable level of administrative burden. Among other things, these updates are required to include a review of the agency's success in achieving its performance goals, along with results for the five preceding fiscal years; and information about the reliability and validity of the data used to measure the agency's progress towards its performance goals. Agencies are also required to provide performance updates for classified program activities in the classified appendix of the agency performance plan.

Finally, where an agency has not met its performance goals, this section requires that the head of the agency submit a performance improvement plan to OMB; where there have been unmet performance goals for two consecutive years, the agency head is required to submit additional information to Congress and to describe additional funding the agency will obligate to achieve the relevant goals.

Section 5. Federal government and agency priority goals

This section amends title 31, United States Code, by adding a new subsection 1120, "Federal Government and Agency Priority Goals."

This section requires the Director of OMB to coordinate with agencies to develop federal government priority goals, with the aim of improving performance and management across the federal government.

This section also provides the process for developing the federal government priority goals and making them available to the public. At a minimum, the goals are required to be posted on the government-wide performance website provided under the new section 1122 of title 31, United States Code, created by section 7 of this bill. The bill provides flexibility for the Director of OMB to make adjustments to the goals during the four-year timeframe should there be significant changes in the federal government's operating environment. When developing or adjusting the goals, and at least once per Congress, the Director of OMB is also required to consult with key congressional committees and obtain both majority and minority views on the draft goals.

Further, this section requires the head of each of the 24 CFO Act agencies (or those otherwise determined by the Director of OMB) to identify agency priority goals from among the agency's performance goals. This section provides the Director of OMB the authority to determine the total number of agency priority goals across the federal government, as well as the number of priority goals to be developed by each agency.

Section 6. Quarterly priority progress reviews and use of performance information

This section amends title 31, United States Code, by adding a new subsection 1121, "Quarterly Priority Progress Reviews and Use of Performance Information."

This section lays out a process for reviewing progress towards the federal government priority goals on a quarterly basis at minimum. The Director of OMB, with the support of the PIC, is required to review with the appropriate lead government official the progress achieved during the most recent quarter, overall trend data, and the likelihood of meeting the performance target, among other things. Officials from relevant agencies, organizations and program activities are to be included in the review, and the reviews are to assess whether the agencies, organizations, program activities, regulations, tax expenditures, policies and other activities are contributing as planned to each federal government priority. In addition, the Director of OMB, with the support of the PIC, is required to categorize the federal government priority goals by their risk of not meeting their performance targets, and for those at greatest risk, identify strategies to improve performance.

This section also requires that, at each agency, the head of the agency and the agency's COO, with the support of the agency PIO, conduct an analogous quarterly review to review priority goals with the appropriate goal leaders.

Section 7. Transparency of federal government programs, priority goals, and results

This section amends title 31, United States Code, by adding a new subsection 1122, "Transparency of Programs, Priority Goals, and Results."

This section requires OMB to develop a single government-wide performance website by October 1, 2012 and update the information presented on the website at least quarterly. The website is required to include information on each program identified by the agencies, including a description of the purposes of each program

and how the program contributes to the mission and goals of the agency, as well as the level of funding for each program for the current and previous two fiscal years.

This section also requires the head of each agency to develop agency priority goals and to provide information about those priority goals for the website, including a description of how the goal will be achieved; the performance indicators to be used in assessing progress; the accuracy and reliability of the data used to measure progress towards the goals; and the results achieved. The Director of OMB is also to make information on federal government priority goals available on the website.

Section 8. Agency chief operating officers

This section amends title 31, United States Code, by adding a new subsection 1123, "Chief Operating Officers," establishing in statute the position of COO at each agency.

This section designates the deputy head of agency, or equivalent, at each agency as the agency's COO, with overall responsibility for improving the management and performance of the agency. Additional responsibilities include advising and assisting the head of agency in carrying out the planning and reporting requirements of this bill; overseeing agency-specific efforts to improve management within the agency and across the federal government; and coordinating with relevant personnel within and external to the agency who have a significant role in contributing to the mission and goals of the agency.

Section 9. Agency performance improvement officers and the performance improvement council

This section amends title 31, United States Code, by adding a new subsection 1124, "Performance Improvement Officers and the Performance Improvement Council," which establishes in statute the position of Performance Improvement Officer at each agency and a Performance Improvement Council.

This section directs the head of each agency, in consultation with the agency COO, to designate a senior executive at the agency as the agency PIO and describes the functions of the PIO. These functions include to advise or assist the agency head and COO in selecting agency goals; overseeing the implementation of the agency strategic planning, performance planning, and reporting requirements; conducting regular reviews of agency performance; and developing and using performance measures in personnel performance appraisals within the agency. The PIO is also responsible for ensuring that agency progress toward the achievement of all goals is communicated to leaders, managers, and employees in the agency and Congress, and is made available on the agency's public website.

This section also establishes a Performance Improvement Council to be chaired by the OMB Deputy Director for Management and which is to include the PIO from each CFO Act agency, and other PIOs and individuals as determined appropriate by the chairperson. This section further sets out the responsibilities of the PIC, including assisting the Director of OMB to improve the performance of the federal government and achieve federal government priority goals and implement the planning, reporting, and use of per-

formance information requirements related to federal government priority goals. The PIC is also to work to resolve specific government-wide or crosscutting performance issues; facilitate the exchange among agencies of practices that have led to performance improvements within specific programs, agencies or across agencies; and develop recommendations to streamline and improve performance management policies and requirements.

This section also directs the Administrator of General Services to provide administrative and other support for the PIC to implement this section.

Section 10. Format of performance plans and reports

This section requires agencies to produce all strategic plans, performance plans, and performance reports in searchable, machine-readable formats beginning in fiscal year 2012. Additionally, this section prohibits agencies from incurring expenses to print such plans and reports for external release, except for when providing such documents to the Congress. Instead, such plans and reports are to be made available on the government-wide performance website established by this bill. This section further requires the Director of OMB to issue guidance to agencies, not later than June 1, 2012, to provide concise and timely performance information for publication on the website.

Section 11. Reducing duplicative and outdated agency reporting

This section amends title 31, United States Code, to provide a process to eliminate or consolidate duplicative and outdated agency plans and reports.

This section requires each agency's COO to compile a list of all plans and reports the agency produces for Congress, either by law or as directed in congressional reports, and to identify those plans and reports that are outdated or duplicative of other required plans and reports. Each agency's COO is then to provide this information to the Director of OMB. This section further requires that the President is to include in each budget of the United States Government the list of duplicative or outdated plans. In addition, the section authorizes the Director of OMB to submit proposed legislation to Congress to eliminate or consolidate such plans and reports.

Finally, this section requires that during the first year of implementation of this section, each agency's list of outdated and duplicative plans and reports must comprise at least 10 percent of all plans and reports identified. In subsequent years, the Director of OMB will determine the minimum percentage to be listed by agencies as outdated or duplicative.

Section 12. Performance management skills and competencies

This section requires the Director of OPM, in consultation with the PIC, to identify key skills and competencies related to performance management in the federal government not later than one year after the enactment date of this Act. Not later than two years after the enactment of this Act, the Director of OPM must incorporate such skills and competencies into relevant position classifications and agency training.

Section 13. Technical and conforming amendments

This section provides for several technical and conforming amendments to title 5 and title 31, United States Code.

Section 14. Implementation of this Act

This section provides timeframes for implementing this Act, including interim planning and reporting activities. The Director of OMB, in coordination with agencies, is required to develop interim federal government priority goals and performance plans consistent with the requirements of this Act beginning with the submission of the Fiscal Year 2013 Budget of the United States Government. Also by the time the fiscal year 2013 budget is required to be submitted (February 6, 2012), agencies are required to make adjustments to their strategic plans to bring them in line with the requirements of this Act. Agencies must also begin making performance reporting updates consistent with the requirements of this Act beginning in fiscal year 2012 and, for fiscal year 2013, submit performance plans consistent with the requirements of this Act.

This section also provides that the quarterly priority progress reviews required under section 6 of this Act. Agency reviews of their progress achieved toward priority goals will begin for agencies with the first full quarter beginning on or after the date of enacting of this Act for the priority goals contained in the Analytical Perspectives volume of the Fiscal Year 2011 Budget of the United States Government. Reviews of progress achieved toward the federal government priority goals are required to begin with the quarter ending June 20, 2012.

This section further requires the Director of OMB to prepare guidance for agencies regarding the implementation of this Act.

Section 15. Congressional oversight and legislation

This section provides that nothing in this Act is to be construed as limiting the ability of Congress to establish, amend, suspend, or annual a goal of the federal government or an agency and requires several GAO reviews. These include reviews of this Act's implementation over time.

V. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee has considered the regulatory impact of this bill. The Congressional Budget Office states that the bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandate Reform Act and would not affect the budgets of state, local, or tribal governments. The enactment of this legislation will not have significant regulatory impact.

VI. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

NOVEMBER 9, 2010.

Hon. JOSEPH I. LIEBERMAN,
*Chairman, Committee on Homeland Security and Governmental Affairs,
 U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2142, the GPRA Modernization Act of 2010.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

H.R. 2142—GPRA Modernization Act of 2010

H.R. 2142 would amend the Government Performance and Results Act of 1993 (GPRA), which requires federal agencies to define their missions and evaluate their performance. Specifically, the legislation would require federal agencies to expand their efforts to track and improve performance by: providing the Congress and the public with additional information on their current plans; incorporating their management goals and improvement plans into the GPRA performance evaluation process; and providing information on their performance via the Internet. In addition, the legislation would require training for employees who analyze and evaluate government programs, a report by the Government Accountability Office (GAO), and a study by the Office of Personnel Management regarding the evaluation of government programs.

Some provisions of H.R. 2142 would codify current policies and executive orders, including requirements that chief operating officers in each agency manage the performance and improvement process, appoint Performance Improvement Officers, and create and evaluate the Performance Improvement Council. Because those provisions of the bill are being carried out under current policies and executive orders, CBO estimates that implementing them would result in no additional federal costs.

GPRA requires all federal agencies to prepare performance plans annually and strategic plans every three years. Based on information from GAO, the Office of Management and Budget (OMB), and the Department of the Treasury, CBO estimates that the federal government spends between \$50 million and \$100 million annually to comply with current GPRA requirements.

Under the bill, CBO expects that most agencies' administrative workload would increase to carry out some of the requirements. In particular, additional costs would accrue from expanding public reporting on agencies' plans and performance, incorporating management goals and improvement plans into GPRA, and providing additional training for employees. We estimate that additional spending among the 23 major federal agencies would vary significantly but average around \$1 million a year each to implement those new requirements. In total, CBO estimates that implementing H.R. 2142 would expand GPRA requirements and increase spending \$75 million governmentwide over the 2011–2015 period, assuming the availability of appropriated funds.

The legislation would affect direct spending by agencies not funded through annual appropriations, such as the Bonneville Power Administration and the Federal Deposit Insurance Corporation; therefore, pay-as-you-go procedures apply. However, CBO estimates that any change in spending by those agencies would not be significant. Enacting H.R. 2142 would not affect revenues.

Finally, implementing H.R. 2142 eventually could lead to more effective management of government agencies at a reduced cost. Additionally, placing more reporting online could result in lower costs in the future. All such savings would be discretionary, would depend on amounts provided in future appropriation acts, and would be small over the next five years.

H.R. 2142 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

On June 7, 2010, CBO transmitted a cost estimate for H.R. 2142, the Government Efficiency, Effectiveness, and Performance Act of 2010, as ordered reported by the House Committee on Oversight and Government Reform on May 20, 2010. Both versions of the legislation would change the Government Performance and Results Act of 1993, but in different ways. CBO's cost estimates reflect those differences.

The CBO staff contact for this estimate is Matthew Pickford. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by H.R. 2142, as reported, are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

TITLE 5—GOVERNMENT ORGANIZATION AND EMPLOYEES

PART 1—THE AGENCIES GENERALLY

CHAPTER 3—POWERS

SEC. 306. AGENCY STRATEGIC PLANS

(a) **[No later than September 30, 1997]** *Not later than the first Monday in February of any year following the year in which the term of a President commences under section 101 of title 3, the head of each agency shall [submit to the Director of the Office of Management and Budget] make available on the public website of the agency a strategic plan and notify the President and [to the] Congress of its availability[a strategic plan for program activities].* Such plan shall contain—

- (1) a comprehensive mission statement covering the major functions and operations of the agency;
- (2) general goals and objectives, including outcome-oriented goals, for the major functions and operations of the agency;

(3) a description of how any goals and objectives contribute to the federal government priority goals required by section 1120(a) of title 31;

(~~3~~4) a description of how the goals and objectives are to be achieved, including—

(A) a description of the operational processes, skills and technology, and the human, capital, information, and other resources required to ~~meet~~ achieve those goals and objectives; and

(B) a description of how the agency is working with other agencies to achieve its goals and objectives as well as relevant federal government priority goals;

(5) a description of how the goals and objectives incorporate views and suggestions obtained through congressional consultations required under subsection (d);

(~~4~~6) a description of how the performance goals ~~included~~ provided in the plan required by section 1115(a) of title 31 ~~shall be related~~, including the agency priority goals required by section 1120(b) of title 31, if applicable, contribute to the general goals and objectives in the strategic plan;

(~~5~~7) an identification of those key factors external to the agency and beyond its control that could significantly affect the achievement of the general goals and objectives; and

(~~6~~8) a description of the program evaluations used in establishing or revising general goals and objectives, with a schedule for future program evaluations to be conducted.

(b) The strategic plan shall cover a period of not less than ~~5~~ 4 years following the fiscal year in which the plan is submitted. As needed, the head of the agency may make adjustments to the strategic plan to reflect significant changes in the environment in which the agency is operating, with appropriate notification of Congress. ~~The strategic plan shall be updated and revised at least every three years, except that the strategic plan for the Department of Defense shall be updated and revised at least every four years.~~

(c) The performance plan required by section 1115(b) of title 31 shall be consistent with the agency's strategic plan. A performance plan may not be submitted for a fiscal year not covered by a current strategic plan under this section.

(d) When developing or making adjustments to a strategic plan, the agency shall consult periodically with the Congress, including majority and minority views from the appropriate authorizing, appropriations, and oversight committees, and shall solicit and consider the views and suggestions of those entities potentially affected by or interested in such a plan. *The agency shall consult with the appropriate committees of Congress at least once every 2 years.*

(e) The functions and activities of this section shall be considered to be inherently governmental functions. The drafting of strategic plans under this section shall be performed only by federal employees.

(f) For purposes of this section the term 'agency' means an Executive agency defined under section 105, but does not include the Central Intelligence Agency, the Government Accountability Office, ~~the Panama Canal Commission,~~ the United States Postal Service, and the Postal Regulatory Commission.

TITLE 31—MONEY AND FINANCE

Subtitle II—The Budget Process

CHAPTER 11—THE BUDGET AND FISCAL, BUDGET, AND PROGRAM INFORMATION

SEC. 1105. BUDGET CONTENTS AND SUBMISSION TO CONGRESS.

(a) On or after the first Monday in January but not later than the first Monday in February of each year, the President shall submit a budget of the United States Government for the following fiscal year. Each budget shall include a budget message and summary and supporting information. The President shall include in each budget the following:

* * * * *

(37) the list of plans and reports, as provided for under section 1125, that agencies identified for elimination or consolidation because the plans and reports are determined outdated or duplicative of other required plans and reports.

* * * * *

SEC. 1115. FEDERAL GOVERNMENT AND AGENCY PERFORMANCE PLANS

(a) *FEDERAL GOVERNMENT PERFORMANCE PLANS.*—In carrying out the provisions of section 1105(a)(28), the Director of the Office of Management and Budget shall [require each agency to prepare an annual performance plan covering each program activity set forth in the budget of such agency. Such plan shall—] *coordinate with agencies to develop the federal government performance plan. In addition to the submission of such plan with the budget of the United States Government, the Director of the Office of Management and Budget shall ensure that all information required by this subsection is concurrently made available on the website provided under section 1122 and updated periodically, but not less than annually. The federal government performance plan shall—*

(1) establish federal government performance goals to define the level of performance to be achieved during the year in which the plan is submitted and the next fiscal year for each of the federal government priority goals required under section 1120(a) of this title;

(2) identify the agencies, organizations, program activities, regulations, tax expenditures, policies, and other activities contributing to each federal government performance goal during each fiscal year;

(3) for each federal government performance goal, identify a lead government official who shall be responsible for coordinating the efforts to achieve the goal;

(4) establish common federal government performance indicators with quarterly targets to be used in measuring or assessing—

(A) overall progress toward each federal government performance goal; and

(B) the individual contribution of each agency, organization, program activity, regulation, tax expenditure, policy, and other activity identified under paragraph (2);

- (5) *establish clearly defined quarterly milestones; and*
- (6) *identify major management challenges that are Government-wide or crosscutting in nature and describe plans to address such challenges, including relevant performance goals, performance indicators, and milestones.*

(b) *AGENCY PERFORMANCE PLANS.—Not later than the first Monday in February of each year, the head of each agency shall make available on a public website of the agency, and notify the President and the Congress of its availability, a performance plan covering each program activity set forth in the budget of such agency. Such plan shall—*

(1) *establish performance goals to define the level of performance to be achieved by a program activity during the year in which the plan is submitted and the next fiscal year;*

(2) *express such goals in an objective, quantifiable, and measurable form unless authorized to be in an alternative form under subsection (b)c);*

(3) *describe how the performance goals contribute to—*

(A) *the general goals and objectives established in the agency's strategic plan required by section 306(a)(2) of title 5; and*

(B) *any of the federal government performance goals established in the federal government performance plan required by subsection (a)(1);*

(4) *identify among the performance goals those which are designated as agency priority goals as required by section 1120(b) of this title, if applicable;*

(b)(5) *provide a description of how the performance goals [and objectives] are to be achieved, including—*

(A) *the operational processes, training, skills and technology, and the human, capital, information, and other resources and strategies required to meet those performance goals [and objectives];*

(B) *clearly defined milestones;*

(C) *an identification of the organizations, program activities, regulations, policies, and other activities that contribute to each performance goal, both within and external to the agency;*

(D) *a description of how the agency is working with other agencies to achieve its performance goals as well as relevant federal government performance goals; and*

(E) *an identification of the agency officials responsible for the achievement of each performance goal, who shall be known as goal leaders;*

(b)(6) *establish a balanced set of performance indicators to be used in measuring or assessing [the relevant outputs, service levels, and outcomes of each program activity] progress toward each performance goal, including, as appropriate, customer service, efficiency, output, and outcome indicators;*

(b)(7) *provide a basis for comparing actual program results with the established performance goals; [and]*

(b)(8) *[describe] a description of how the agency will ensure the accuracy and reliability of the data used to measure progress towards its performance goals, including an identification of—*

(A) the means to be used to verify and validate measured values;

(B) the sources for these data;

(C) the level of accuracy required for the intended use of the data;

(D) any limitations to these data at the required level of accuracy; and

(E) how the agency will compensate for such limitations if needed to reach the required level of accuracy;

(9) describe major management challenges the agency faces and identify—

(A) planned actions to address such challenges;

(B) performance goals, performance indicators, and milestones to measure progress toward resolving such challenges; and

(C) the agency official responsible for resolving such challenges; and

(10) identify low-priority program activities based on an analysis of their contribution to the mission and goals of the agency and include an evidence-based justification for designating a program activity as low-priority.

(b)c *ALTERNATIVE FORM.*—If an agency, in consultation with the Director of the Office of Management and Budget, determines that it is not feasible to express the performance goals for a particular program activity in an objective, quantifiable, and measurable form, the Director of the Office of Management and Budget may authorize an alternative form. Such alternative form shall—

(1) include separate descriptive statements of—

(A)(i) a minimally effective program; and

(ii) a successful program; or

(B) such alternative as authorized by the Director of the Office of Management and Budget, with sufficient precision and in such terms that would allow for an accurate, independent determination of whether the program activity's performance meets the criteria of the description; or

(2) state why it is infeasible or impractical to express a performance goal in any form for the program activity.

(c)d *TREATMENT OF PROGRAM ACTIVITIES.*—For the purpose of complying with this section, an agency may aggregate, disaggregate, or consolidate program activities, except that any aggregation or consolidation may not omit or minimize the significance of any program activity constituting a major function or operation for the agency.

(d)e *APPENDIX.*—An agency may submit with its annual performance plan an appendix covering any portion of the plan that—

(1) is specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy; and

(2) is properly classified pursuant to such Executive order.

(e)f *INHERENTLY GOVERNMENTAL FUNCTIONS.*—The functions and activities of this section shall be considered to be inherently governmental functions. The drafting of performance plans under this section shall be performed only by federal employees.

(f)g *CHIEF HUMAN CAPITAL OFFICERS.*—With respect to each agency with a Chief Human Capital Officer, the Chief Human Cap-

ital Officer shall prepare that portion of the annual performance plan described under subsection [(a)(3)](b)(5)(A).

([g]h) *DEFINITIONS.*—For purposes of this section and sections 1116 through [1119] 1125, and sections 9703 and 9704, the term—

(1) ‘agency’ has the same meaning as such term is defined under section 306(f) of title 5;

(2) ‘crosscutting’ means across organizational (such as agency) boundaries;

(3) ‘customer service measure’ means an assessment of service delivery to a customer, client, citizen, or other recipient, which can include an assessment of quality, timeliness, and satisfaction among other factors;

(4) ‘efficiency measure’ means a ratio of a program activity’s inputs (such as costs or hours worked by employees) to its outputs (amount of products or services delivered) or outcomes (the desired results of a program);

(5) ‘major management challenge’ means programs or management functions, within or across agencies, that have greater vulnerability to waste, fraud, abuse, and mismanagement (such as issues identified by the Government Accountability Office as high risk or issues identified by an Inspector General) where a failure to perform well could seriously affect the ability of an agency or the government to achieve its mission or goals;

(6) ‘milestone’ means a scheduled event signifying the completion of a major deliverable or a set of related deliverables or a phase of work;

([2]7) ‘outcome measure’ means an assessment of the results of a program activity compared to its intended purpose;

([3]8) ‘output measure’ means the tabulation, calculation, or recording of activity or effort and can be expressed in a quantitative or qualitative manner;

([4]9) ‘performance goal’ means a target level of performance expressed as a tangible, measurable objective, against which actual achievement can be compared, including a goal expressed as a quantitative standard, value, or rate;

([5]10) ‘performance indicator’ means a particular value or characteristic used to measure output or outcome;

([6]11) ‘program activity’ means a specific activity or project as listed in the program and financing schedules of the annual budget of the United States Government; and

([7]12) ‘program evaluation’ means an assessment, through objective measurement and systematic analysis, of the manner and extent to which federal programs achieve intended objectives.

* * * * *

SEC. 1116. [PROGRAM] AGENCY PERFORMANCE REPORTING[S]

(a) [Not later than 150 days after the end of an agency’s fiscal year, t]The head of each agency shall [prepare and submit to the President and the Congress, a report on agency performance for the previous fiscal year] *make available on a public website of the agency an update on agency performance.*

(b)(1) Each [program performance report] *update shall [set forth the performance indicators] compare actual performance achieved with the performance goals established in the agency performance*

plan under section 1115(b) **【along with the actual performance achieved compared with the performance goals expressed in the plan for that fiscal year】** *and shall occur no less than 150 days after the end of the fiscal year, with more frequent updates of actual performance on indicators that provide data of significant value to the government, Congress, or program partners at a reasonable level of administrative burden.*

(2) If performance goals are specified in an alternative form under section 1115(**【b】c**), the results **【of such a program】** shall be described in relation to such specifications, including whether the performance failed to meet the criteria of a minimally effective or successful program.

【(c) The report for fiscal year 2000 shall include actual results for the preceding fiscal year, the report for fiscal year 2001 shall include actual results for the two preceding fiscal years, and the report for fiscal year 2002 and all subsequent reports shall include actual results for the three preceding fiscal years.】

【(d)c) Each 【report】 update shall—

(1) review the success of achieving the performance goals **【of the fiscal year】** *and include actual results for the five preceding fiscal years;*

(2) evaluate the performance plan for the current fiscal year relative to the performance achieved toward the performance goals **【in the fiscal year covered by the report】** *during the period covered by the update;*

(3) explain and describe where a performance goal has not been met (including when a program activity's performance is determined not to have met the criteria of a successful program activity under section 1115(**【b】 c**)(1)(A)(ii) or a corresponding level of achievement if another alternative form is used)—

(A) why the goal was not met;

(B) those plans and schedules for achieving the established performance goal; and

(C) if the performance goal is impractical or infeasible, why that is the case and what action is recommended;

(4) describe the use and assess the effectiveness in achieving performance goals of any waiver under section 9703 of this title;

(5) include a review of the performance goals and evaluation of the performance plan relative to the agency's strategic human capital management; **【and】**

(6) *describe how the agency ensures the accuracy and reliability of the data used to measure progress towards its performance goals, including an identification of—*

(A) *the means to be used to verify and validate measured values;*

(B) *the sources for these data;*

(C) *the level of accuracy required for the intended use of the data;*

(D) *any limitations to these data at the required level of accuracy; and*

(E) *how the agency has compensated for such limitations if needed to reach the required level of accuracy; and*

([6]7) include the summary findings of those program evaluations completed during the fiscal year covered by the report.

(d) *If an agency performance update includes any program activity or information that is specifically authorized under criteria established by an Executive Order to be kept secret in the interest of national defense or foreign policy and is properly classified pursuant to such Executive Order, the head of the agency shall make such information available in the classified appendix provided under section 1115(e).*

[(e)(1) Except as provided in paragraph (2), each agency performance report shall contain an assessment by the agency head of the completeness and reliability of the performance data included in the report. The assessment shall describe any material inadequacies in the completeness and reliability of the performance data, and the actions the agency can take and is taking to resolve such inadequacies.

[(2) If an agency performance report is incorporated into a report submitted under section 3516, the requirements of section 3516(e) shall apply in lieu of paragraph (1).]

[(f)e) The functions and activities of this section shall be considered to be inherently governmental functions. The drafting of agency performance [reports] updates under this section shall be performed only by federal employees.

* * * * *

SEC. 1120. FEDERAL GOVERNMENT AND AGENCY PRIORITY GOALS

(a) **FEDERAL GOVERNMENT PRIORITY GOALS—**

(1) *The Director of the Office of Management and Budget shall coordinate with agencies to develop priority goals to improve the performance and management of the federal government. Such federal government priority goals shall include—*

(A) *outcome-oriented goals covering a limited number of crosscutting policy areas; and*

(B) *goals for management improvements needed across the federal government, including*

(i) *financial management;*

(ii) *human capital management;*

(iii) *information technology management;*

(iv) *procurement and acquisition management; and*

(v) *real property management;*

(2) *The federal government priority goals shall be long-term in nature. At a minimum, the federal government priority goals shall be updated or revised every 4 years and made publicly available concurrently with the submission of the budget of the United States Government made in the first full fiscal year following any year in which the term of the President commences under section 101 of title 3. As needed, the Director of the Office of Management and Budget may make adjustments to the federal government priority goals to reflect significant changes in the environment in which the federal government is operating, with appropriate notification of Congress.*

(3) *When developing or making adjustments to federal government priority goals, the Director of the Office of Management and Budget shall consult periodically with the Congress, including obtaining majority and minority views from—*

(A) the Committees on Appropriations of the Senate and the House of Representatives;

(B) the Committees on the Budget of the Senate and the House of Representatives;

(C) the Committee on Homeland Security and Governmental Affairs of the Senate;

(D) the Committee on Oversight and Government Reform of the House of Representatives;

(E) the Committee on Finance of the Senate;

(F) the Committee on Ways and Means of the House of Representatives; and

(G) any other committees as determined appropriate.

(4) The Director of the Office of Management and Budget shall consult with the appropriate committees of Congress at least once every 2 years.

(5) The Director of the Office of Management and Budget shall make information about the federal government priority goals available on the website described under section 1122 of this title.

(6) The federal government performance plan required under section 1115(a) of this title shall be consistent with the federal government priority goals

(b) AGENCY PRIORITY GOALS—

(1) Every 2 years, the head of each agency listed in section 901(b) of this title, or as otherwise determined by the Director of the Office of Management and Budget, shall identify agency priority goals from among the performance goals of the agency. The Director of the Office of Management and Budget shall determine the total number of agency priority goals across the government, and the number to be developed by each agency. The agency priority goals shall—

(A) reflect the highest priorities of the agency, as determined by the head of the agency and informed by the federal government priority goals provided under subsection (a) and the consultations with Congress and other interested parties required by section 306(d) of title 5;

(B) have ambitious targets that can be achieved within a 2-year period;

(C) have a clearly identified agency official, known as a goal leader, who is responsible for the achievement of each agency priority goal;

(D) have interim quarterly targets for performance indicators if more frequent updates of actual performance provides data of significant value to the government, Congress, or program partners at a reasonable level of administrative burden; and

(E) have clearly defined quarterly milestones.

(2) If an agency priority goal includes any program activity or information that is specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy and is properly classified pursuant to such Executive order, the head of the agency shall make such information available in the classified appendix provided under section 1115(e).

(c) The functions and activities of this section shall be considered to be inherently governmental functions. The development of federal government and agency priority goals shall be performed only by federal employees.

* * * * *

SEC. 1121. QUARTERLY PRIORITY PROGRESS REVIEWS AND USE OF PERFORMANCE INFORMATION

(a) USE OF PERFORMANCE INFORMATION TO ACHIEVE FEDERAL GOVERNMENT PRIORITY GOALS.—Not less than quarterly, the Director of the Office of Management and Budget, with the support of the Performance Improvement Council, shall—

(1) for each federal government priority goal required by section 1120(a) of this title, review with the appropriate lead government official the progress achieved during the most recent quarter, overall trend data, and the likelihood of meeting the planned level of performance;

(2) include in such reviews officials from the agencies, organizations, and program activities that contribute to the accomplishment of each federal government priority goal;

(3) assess whether agencies, organizations, program activities, regulations, tax expenditures, policies, and other activities are contributing as planned to each federal government priority goal;

(4) categorize the federal government priority goals by risk of not achieving the planned level of performance; and

(5) for the federal government priority goals at greatest risk of not meeting the planned level of performance, identify prospects and strategies for performance improvement, including any needed changes to agencies, organizations, program activities, regulations, tax expenditures, policies, or other activities.

(b) AGENCY USE OF PERFORMANCE INFORMATION TO ACHIEVE AGENCY PRIORITY GOALS.—Not less than quarterly, at each agency required to develop agency priority goals required by section 1120(b) of this title, the head of the agency and Chief Operating Officer, with the support of the agency Performance Improvement Officer, shall—

(1) for each agency priority goal, review with the appropriate goal leader the progress achieved during the most recent quarter, overall trend data, and the likelihood of meeting the planned level of performance;

(2) coordinate with relevant personnel within and outside the agency who contribute to the accomplishment of each agency priority goal;

(3) assess whether relevant organizations, program activities, regulations, policies, and other activities are contributing as planned to the agency priority goals;

(4) categorize agency priority goals by risk of not achieving the planned level of performance; and

(5) for agency priority goals at greatest risk of not meeting the planned level of performance, identify prospects and strategies for performance improvement, including any needed changes to agency program activities, regulations, policies, or other activities.

* * * * *

SEC. 1122. TRANSPARENCY OF PROGRAMS, PRIORITY GOALS, AND RESULTS

(a) TRANSPARENCY OF AGENCY PROGRAMS.—

(1) IN GENERAL.—*Not later than October 1, 2012, the Office of Management and Budget shall—*

(A) ensure the effective operation of a single website;

(B) at a minimum, update the website on a quarterly basis; and

(C) include on the website information about each program identified by the agencies.

(2) INFORMATION.—*Information for each program described under paragraph (1) shall include—*

(A) an identification of how the agency defines the term ‘program’, consistent with guidance provided by the Director of the Office of Management and Budget, including the program activities that are aggregated, disaggregated, or consolidated to be considered a program by the agency;

(B) a description of the purposes of the program and the contribution of the program to the mission and goals of the agency; and

(C) an identification of funding for the current fiscal year and previous 2 fiscal years.

(b) TRANSPARENCY OF AGENCY PRIORITY GOALS AND RESULTS.—*The head of each agency required to develop agency priority goals shall make information about each agency priority goal available to the Office of Management and Budget for publication on the website, with the exception of any information covered by section 1120(b)(2) of this title. In addition to an identification of each agency priority goal, the website shall also consolidate information about each agency priority goal, including*

(1) a description of how the agency incorporated any views and suggestions obtained through congressional consultations about the agency priority goal;

(2) an identification of key factors external to the agency and beyond its control that could significantly affect the achievement of the agency priority goal;

(3) a description of how each agency priority goal will be achieved, including—

(A) the strategies and resources required to meet the priority goal;

(B) clearly defined milestones;

(C) the organizations, program activities, regulations, policies, and other activities that contribute to each goal, both within and external to the agency;

(D) how the agency is working with other agencies to achieve the goal; and

(E) an identification of the agency official responsible for achieving the priority goal;

(4) the performance indicators to be used in measuring or assessing progress;

(5) a description of how the agency ensures the accuracy and reliability of the data used to measure progress towards the priority goal, including an identification of—

(A) the means used to verify and validate measured values;

- (B) *the sources for the data;*
 (C) *the level of accuracy required for the intended use of the data;*
 (D) *any limitations to the data at the required level of accuracy; and*
 (E) *how the agency has compensated for such limitations if needed to reach the required level of accuracy;*
 (6) *the results achieved during the most recent quarter and overall trend data compared to the planned level of performance;*
 (7) *an assessment of whether relevant organizations, program activities, regulations, policies, and other activities are contributing as planned;*
 (8) *an identification of the agency priority goals at risk of not achieving the planned level of performance; and*
 (9) *any prospects or strategies for performance improvement.*
- (c) **TRANSPARENCY OF FEDERAL GOVERNMENT PRIORITY GOALS AND RESULTS.**—*The Director of the Office of Management and Budget shall also make available on the website—*
 (1) *a brief description of each of the federal government priority goals required by section 1120(a) of this title;*
 (2) *a description of how the federal government priority goals incorporate views and suggestions obtained through congressional consultations;*
 (3) *the federal government performance goals and performance indicators associated with each federal government priority goal as required by section 1115(a) of this title;*
 (4) *an identification of the lead government official for each federal government performance goal;*
 (5) *the results achieved during the most recent quarter and overall trend data compared to the planned level of performance;*
 (6) *an identification of the agencies, organizations, program activities, regulations, tax expenditures, policies, and other activities that contribute to each federal government priority goal;*
 (7) *an assessment of whether relevant agencies, organizations, program activities, regulations, tax expenditures, policies, and other activities are contributing as planned;*
 (8) *an identification of the federal government priority goals at risk of not achieving the planned level of performance; and*
 (9) *any prospects or strategies for performance improvement.*
- (d) **INFORMATION ON WEBSITE.**—*The information made available on the website under this section shall be readily accessible and easily found on the Internet by the public and members and committees of Congress. Such information shall also be presented in a searchable, machine-readable format. The Director of the Office of Management and Budget shall issue guidance to ensure that such information is provided in a way that presents a coherent picture of all federal programs, and the performance of the federal government as well as individual agencies.*

* * * * *

SEC. 1123. CHIEF OPERATING OFFICERS

- (a) **ESTABLISHMENT.**—*At each agency, the deputy head of agency, or equivalent, shall be the Chief Operating Officer of the agency.*

(b) *FUNCTION.*—Each Chief Operating Officer shall be responsible for improving the management and performance of the agency, and shall—

(1) provide overall organization management to improve agency performance and achieve the mission and goals of the agency through the use of strategic and performance planning, measurement, analysis, regular assessment of progress, and use of performance information to improve the results achieved;

(2) advise and assist the head of agency in carrying out the requirements of sections 1115 through 1122 of this title and section 306 of title 5;

(3) oversee agency-specific efforts to improve management functions within the agency and across government; and

(4) coordinate and collaborate with relevant personnel within and external to the agency who have a significant role in contributing to and achieving the mission and goals of the agency, such as the Chief Financial Officer, Chief Human Capital Officer, Chief Acquisition Officer/Senior Procurement Executive, Chief Information Officer, and other line of business chiefs at the agency.

* * * * *

SEC. 1124. PERFORMANCE IMPROVEMENT OFFICERS AND THE PERFORMANCE IMPROVEMENT COUNCIL

(a) *PERFORMANCE IMPROVEMENT OFFICERS.*—

(1) *ESTABLISHMENT.*—At each agency, the head of the agency, in consultation with the agency Chief Operating Officer, shall designate a senior executive of the agency as the agency Performance Improvement Officer.

(2) *FUNCTION.*—Each Performance Improvement Officer shall report directly to the Chief Operating Officer. Subject to the direction of the Chief Operating Officer, each Performance Improvement Officer shall—

(A) advise and assist the head of the agency and the Chief Operating Officer to ensure that the mission and goals of the agency are achieved through strategic and performance planning, measurement, analysis, regular assessment of progress, and use of performance information to improve the results achieved;

(B) advise the head of the agency and the Chief Operating Officer on the selection of agency goals, including opportunities to collaborate with other agencies on common goals;

(C) assist the head of the agency and the Chief Operating Officer in overseeing the implementation of the agency strategic planning, performance planning, and reporting requirements provided under sections 1115 through 1122 of this title and sections 306 of title 5, including the contributions of the agency to the federal government priority goals;

(D) support the head of agency and the Chief Operating Officer in the conduct of regular reviews of agency performance, including at least quarterly reviews of progress achieved toward agency priority goals, if applicable;

(E) assist the head of the agency and the Chief Operating Officer in the development and use within the agency of

performance measures in personnel performance appraisals, and, as appropriate, other agency personnel and planning processes and assessments; and

(F) ensure that agency progress toward the achievement of all goals is communicated to leaders, managers, and employees in the agency and Congress, and made available on a public website of the agency.

(b) PERFORMANCE IMPROVEMENT COUNCIL.—

(1) ESTABLISHMENT.—*There is established a Performance Improvement Council, consisting of—*

(A) the Deputy Director for Management of the Office of Management and Budget, who shall act as chairperson of the Council;

(B) the Performance Improvement Officer from each agency defined in section 901(b) of this title;

(C) other Performance Improvement Officers as determined appropriate by the chairperson; and

(D) other individuals as determined appropriate by the chairperson.

(2) FUNCTION.—*The Performance Improvement Council shall—*

(A) be convened by the chairperson or the designee of the chairperson, who shall preside at the meetings of the Performance Improvement Council, determine its agenda, direct its work, and establish and direct subgroups of the Performance Improvement Council, as appropriate, to deal with particular subject matters;

(B) assist the Director of the Office of Management and Budget to improve the performance of the federal government and achieve the federal government priority goals;

(C) assist the Director of the Office of Management and Budget in implementing the planning, reporting, and use of performance information requirements related to the federal government priority goals provided under sections 1115, 1120, 1121, and 1122 of this title;

(D) work to resolve specific Government-wide or cross-cutting performance issues, as necessary;

(E) facilitate the exchange among agencies of practices that have led to performance improvements within specific programs, agencies, or across agencies;

(F) coordinate with other interagency management councils;

(G) seek advice and information as appropriate from non-member agencies, particularly smaller agencies;

(H) consider the performance improvement experiences of corporations, nonprofit organizations, foreign, State, and local governments, government employees, public sector unions, and customers of government services;

(I) receive such assistance, information and advice from agencies as the Council may request, which agencies shall provide to the extent permitted by law; and

(J) develop and submit to the Director of the Office of Management and Budget, or when appropriate to the President through the Director of the Office of Management and Budget, at times and in such formats as the chairperson

may specify, recommendations to streamline and improve performance management policies and requirements.

(3) *SUPPORT.*—

(A) *IN GENERAL.*—The Administrator of General Services shall provide administrative and other support for the Council to implement this section.

(B) *PERSONNEL.*—The heads of agencies with Performance Improvement Officers serving on the Council shall, as appropriate and to the extent permitted by law, provide at the request of the chairperson of the Performance Improvement Council up to 2 personnel authorizations to serve at the direction of the chairperson.

* * * * *

SEC. 1125. ELIMINATION OF UNNECESSARY AGENCY REPORTING

(a) *AGENCY IDENTIFICATION OF UNNECESSARY REPORTS.*—Annually, based on guidance provided by the Director of the Office of Management and Budget, the Chief Operating Officer at each agency shall—

(1) compile a list that identifies all plans and reports the agency produces for Congress, in accordance with statutory requirements or as directed in congressional reports;

(2) analyze the list compiled under paragraph (1), identify which plans and reports are outdated or duplicative of other required plans and reports, and refine the list to include only the plans and reports identified to be outdated or duplicative;

(3) consult with the congressional committees that receive the plans and reports identified under paragraph

(2) to determine whether those plans and reports are no longer useful to the committees and could be eliminated or consolidated with other plans and reports; and

(4) provide a total count of plans and reports compiled under paragraph (1) and the list of outdated and duplicative reports identified under paragraph (2) to the Director of the Office of Management and Budget.

(b) *PLANS AND REPORTS.*—

(1) *FIRST YEAR.*—During the first year of implementation of this section, the list of plans and reports identified by each agency as outdated or duplicative shall be not less than 10 percent of all plans and reports identified under subsection (a)(1).

(2) *SUBSEQUENT YEARS.*—In each year following the first year described under paragraph (1), the Director of the Office of Management and Budget shall determine the minimum percent of plans and reports to be identified as outdated or duplicative on each list of plans and reports.

(c) *REQUEST FOR ELIMINATION OF UNNECESSARY REPORTS.*—In addition to including the list of plans and reports determined to be outdated or duplicative by each agency in the budget of the United States government, as provided by section 1105(a)(37), the Director of the Office of Management and Budget may concurrently submit to Congress legislation to eliminate or consolidate such plans and reports.