DEPARTMENT OF STATE
AND
INTERNATIONAL ASSISTANCE PROGRAMS

PART ASSESSMENTS[1]

[1] This document contains details of the most recent program assessments as of the date the 2005 Budget was published (February 2004). Programs originally assessed for the 2004 Budget were reassessed only where evidence showed an agency's rating was likely to change. Programs not reassessed are presented in this document in the form of reprints of the original worksheets and are footnoted "FY 2004 Budget".

TABLE OF CONTENTS

Program Assessment Rating Tool (PART)

Program:	Anti-Terrorism Assistance
Agency:	Department of State
Bureau:	Diplomatic Security
Type(s):	Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	86%	75%	

1.1 Is the program purpose clear? Answer: Yes Question Weight: 20%

Explanation: The purpose of the Antiterrorism Assistance (ATA) program is to build the capacity of key states abroad to fight terrorism. establish relationships between U.S. and foreign security officials to strengthen bilateral anti-terrorism ties, and share modern , humane and effective anti-terrorism techniques.

Evidence: Chapter 8, Part II of the Foreign Assistance Act (FAA) of 1961, as amended, Department of State Performance Plans and budget request.

1.2 Does the program address a specific interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: The program reduces the danger of terrorist attacks against American citizens and interests, improves the effectiveness of international terrorism cooperation to reduce terrorist capabilities and punish known or would-be terrorists.

Evidence: Department of State annual report Patterns of Global Terrorism -- The ATA program is one component of the U.S. effort to counter the terrorist threat.

1.3 Is the program designed to have a significant impact in addressing the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: Courses cover such areas as airport security, bomb detection, hostage rescue, and crisis management. A recent component of the training targets the financial underpinnings of terrorists and criminal money launderers. Counterterrorist training and technical assistance teams are working with countries to jointly identify vulnerabilities, enhance capacities, and provide targeted assistance. The ATA program is also developing workshops to assist countries in drafting strong laws against terrorism, including terrorist financing. During the past 17 years, the ATA program has trained more than 35,000 officials from 152 countries in various aspects of counterterrorism.

Evidence: Department of State annual report Patterns of Global Terrorism, Department of State strategic and performance plans, annual budget submissions.

1.4 Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)? Answer: Yes Question Weight: 20%

Explanation: Other Foreign Assistance programs provide training for foreign law enforcement personnel, but have other purposes than deterrence of terrorist acts. This program is the only global effort to enhance antiterrorism skills of law enforcement officials.

Evidence: The Counterterrorism and Security Group (CSG) chaired by the Deputy Assistant to the President, National Director and Deputy National Security Advisor for Combating Terrorism, was created to coordinate the military, diplomatic, law enforcement, intelligence, financial, and strategic information activities designed to deter, disrupt, and destroy terrorists .

1.5 Is the program optimally designed to address the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: The program is designed to provide training that is responsive both to the identified need, and to priorities determined both by the terrorist threat and policy considerations.

Evidence: The Coordinator for Counterterrorism is responsible for policy oversight of the Department's counter-terrorism programs and is responsible for tailoring policies to combat evolving terrorist trends,. The office recently received a favorable audit report by the Department's Inspector General.

Program:	Anti-Terrorism Assistance
Agency:	Department of State
Bureau:	Diplomatic Security
Type(s):	Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	86%	75%	

2.1 **Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES Question Weight: 14%

Explanation: The ATA program has devoted considerable effort in attempting to quantifiably measure the 'success of its training programs and is in the process of testing and implementing a new assesssment tool which will rate on a "Likert" scale anti-terrorism capabilities of particpating countries and will document their progress. In addition, a country assistance plan will be developed for each country with specific goals and objectives to be achieved over a two-year training period.

Evidence: 1. Number of particpant countries achieving a capability to effectively deter, detect, and counter terrorist organizations and threats and sustain those capabilities. (new measure, first long-term target of 4 countries in FY 2007) based on bi-annual assessments. 2. Strengthening the bilateral ties of the U.S. with friendly foreign governments by offering concrete assistance in areas of mutual concern measured through bi-annual assessments of cooperation and responsiveness to U.S. requests 3. Increasing respect for human rights by sharing with civilian authorities modern, humane, and effective antiterrorism techniques measured by number of human rights violations reported by the embassy where host country judicial action has not addressed the violation. FY 2004 Performance Plan

2.2 **Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?**

Answer: Yes Question Weight: 14%

Explanation: The annual performance goals are formally derived in consultation with the Office of the Coordinator for Counterterrorism, (S/CT) whose office provides continually updated guidance on the goals and primary recipients of assistance under the program. A new annual goal will be added beginning in FY 2005 to set a percentage goal for countries receiving training with the initial FY 2005 target of 90 percent of countries achieving the annual goals and objectives identified in the country assistance plan.

Evidence: FY 2003 Performance Plan includes goals performance indicators consistent with performance goals. Performance indicators are tied to performance goals but necessarily are output driven. For example, performance goal of strengthening bilateral ties uses two indicators: number of completed bilateral and multilateral consultations and number of countries implementing United Nations Security Council Resolution (UNSCR) 1373 that requires all member states to suppress and prevent terrorism.

2.3 **Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?**

Answer: Yes Question Weight: 14%

Explanation: Training forecasts produced by internal office planning are normally submitted to the grantees and interagency agreement partners six months prior to the beginning of the fiscal year to ensure they have available or develop, as needed, the resources to support the requirements of the coming year.

Evidence: Internal program procedures and process. Future improvement would be to collectively document processes and procedures.

Program Assessment Rating Tool (PART)

Program:	Anti-Terrorism Assistance	**Section Scores**				**Overall Rating**
Agency:	Department of State	1	2	3	4	Effective
Bureau:	Diplomatic Security	100%	100%	86%	75%	
Type(s):	Direct Federal					

2.4 **Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?** Answer: Yes Question Weight: 14%

Explanation: In recent months there has been a considerable emphasis on ATA enhancing coordination with the International Narcotics Control and Law Enforcement bureau's International Law Enforcement Academies overseas and with other federal agencies that provide law enforcement training to foreign governments. This initiative is being formally chaired by S/CT through a series of bi-monthly interagency coordination meetings, during which support activities are reviewed and de-conflicted to ensure adherence to policy goals, priority of recipients, and the absence of redundant support.

Evidence: S/CT Initiatives

2.5 **Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?** Answer: Yes Question Weight: 14%

Explanation: An independent evaluation firm periodically reviews all ATA courses, usually bi-annually, in accordance with a previous Office of Inspector General (OIG) recommendation. This program has helped keep the quality of courses at an optimal level by providing formal recommendations that are subsequently utilized in formal course reviews and updates.

Evidence: Inspector General report and ongoing oversight activities.

2.6 **Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?** Answer: Yes Question Weight: 14%

Explanation: The fiscal planning process is constantly being reviewed in the context of new priorities as outlined by S/CT. Support required for emerging priority programs is reviewed with S/CT within the context of impact on other programs competing for the same resources.

Evidence: Inspector General report and ongoing oversight activities.

2.7 **Has the program taken meaningful steps to address its strategic planning deficiencies?** Answer: Yes Question Weight: 14%

Explanation: In the last two years, the concept of detailed planning has been expanded from a matter of months to two years in advance. In addition, the events of September 11th have compelled strategic planning to make the program more responsive to on-site training delivery needs overseas, often with short notice, and sometimes in non-permissive environments.

Evidence: Inspector General report and ongoing oversight activities.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: Yes Question Weight: 14%

Explanation: Throughout the training process, information regarding pre-training capabilities of students, suitability of training content to students, and confirmation of relevance of training content to training objectives is obtained and evaluated. Corrective measures are taken as appropriate.

Evidence: Yes contingent upon confirmation and documentation that OIG recommendation to improve course monitoring and curriculum tailoring has been addressed.

Program: Anti-Terrorism Assistance
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	86%	75%	

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?**

Answer: Yes — Question Weight: 14%

Explanation: Achievement of key program results are part of the performance standards for program managers.

Evidence: State Department response based on criteria in annual performance assessments of personnel.

3.3 **Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: Yes — Question Weight: 14%

Explanation: Funds are obligated in advance for each training activity conducted, as the annual plan is implemented. Substitutions of one country for another do occur in response to political realities and shifts in policy priorities, but the training provided is within the intended purpose for which funds were appropriated. As actual costs are determined, surpluses or deficiencies in the committed amount are resolved through adjustments to the annual plan, so that unobligated funds at the end of the year are minimal.

Evidence: Annual budget submissions, sub-account information.

3.4 **Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: Yes — Question Weight: 14%

Explanation: The ATA program does have procedures that are consistent with the approach by that compare efficiencies (bid evaluation for best value). The ATA program does determine the cost of training outputs as part of ongoing resource management within the program.

Evidence: Inspector General report and ongoing oversight activities. Department of State performance plan.

3.5 **Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?**

Answer: No — Question Weight: 14%

Explanation: The direct-hire career employees of the Department of State and their benefits and related overhead are budgeted through the Department's central salaries account within Diplomatic and Consular Programs. All of the program annual costs are budgeted through the Foreign Assistance budget process, and do not include the full annual costs of operating the program.

Evidence: Department of State Chapter and International Assistance Programs budget submissions.

3.6 **Does the program use strong financial management practices?**

Answer: Yes — Question Weight: 14%

Explanation: Procedures are in place to confirm that all obligations contribute directly to the achievement of program mission and are properly allocated to specific country program activities, or in the case of indirect program costs, are distributed among program activities that share in those costs. Expenditures are reviewed to ensure their utilization for their intended purpose, and to identify and correct improper payments, should they occur.

Evidence: Inspector General report and ongoing oversight activities. Information supplied by program management office.

3.7 Has the program taken meaningful steps to address its management deficiencies?
Answer: Yes
Question Weight: 14%

Explanation: A staff of course managers, hired over the last 18 months, has responsibilities for defined subject-matter content of the training provided, from a standpoint of course content, its delivery, and selection of appropriate students. Adjustments are coordinated in the context of the total curriculum and security skills package.

Evidence: Inspector General report and ongoing oversight activities. Annual Report to the Congress 2001 (course content reviews) and agency-provided material.

4.1 Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?
Answer: Large extent
Question Weight: 25%

Explanation: ATA has made significant progress in developing quantifiable measures of performance and is in the process of testing and implementing a new assessment tool which will rate on a Likert scale anti-terrorism capabilities and document progress of participating countries. Currently, ATA does maintain extensive assessments establishing a participant country's baseline anti-terrorism capabilities and program reviews identifying their enhanced performance following ATA training and assistance. Assessments and Program Reviews are all performed by qualified law enforcement and military experts in the field of anti-terrorism; this will not change. ATA has developed a system for progressing participant country's through ascending levels of assistance beginning with basic training moving to advanced training and targeted sustainment eventually graduating to programs designed to maintain enhanced engagement and established bi-lateral relationship. Each stage of training will be planned and tracked in individual Country Assistance Plans containing specific goals and objectives.

Evidence: Annual Performance Plan and Report, Annual Report on Global Trends in Terrorism. With the establishment of performance measures for each long-term goal, the measures are now adequate.

4.2 Does the program (including program partners) achieve its annual performance goals?
Answer: Yes
Question Weight: 25%

Explanation: State has prepared performance plans on the ATA program in FYs 2001-2003. In addition, State prepared an FY 2001 performance report on the program. However, performance goals in FY 2001 and FY 2002 were not were not measurable and did not contain specific targets. The FY 2003 performance plan contains measurable targets and a baseline that can be used to more effectively measure annual performance. The key goals below reflect the FY 2003 performance plan. In addition, the Department prepares a separate annual report to the Congress that provides specific program results and impact..

Evidence: FY 2001/2002 Performance Plan, FY 2001 Performance Report, FY 2003 Performance Plan, Anti-Terrorism Assistance Program, Annual Report to the Congress, FY 2001.

4.3 **Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?**

Answer: Large Extent — Question Weight: 25%

Explanation: The ATA program performs this function through an independent evaluation of ATA courses, periodic in-country program reviews, and a greater emphasis on 'sustainability for participating nations. The ATA program is working toward a global training program that maximizes both cost effectiveness and operational efficiency. The large extent reflects efforts to review programs as discussed above but the program does not set in advance targets for improved efficiency that would fully demonstrate the improved efficiencies and cost effectiveness. The Department has requested funds to establish a Center for Antiterrorism and Security Training that will allow ATA to expand to meet projected growth in training needs and allow ATA to better manage its present demands.

Evidence: Annual Report to the Congress 2001, FY 2003 budget submission to the Congress, Inspector General report and ongoing oversight activities. ATA provided program materials.

4.4 **Does the performance of this program compare favorably to other programs with similar purpose and goals?**

Answer: N/A — Question Weight: 0%

Explanation: The ATA program is a unique federal training assistance program

Evidence:

4.5 **Do independent and quality evaluations of this program indicate that the program is effective and achieving results?**

Answer: Large Extent — Question Weight: 25%

Explanation: Previously cited independent, quality evaluations of the program document that the training is effective, and the periodic program reviews and unsolicited 'success stories provide documentation and testaments that it is achieving its intended results. The results of these reviews were not made available for this performance review. The large extent is based on the fact that an independent assessment process has been instituted and that these reviews have generally found the program to be successful in accomplishing the desired goal.

Evidence: Budget submissions and bureau program plans, Inspector General report and ongoing oversight activities.

PART Performance Measurements

Program: Anti-Terrorism Assistance

Agency: Department of State

Bureau: Diplomatic Security

Measure: Number of participant countries that achieve a capability to effectively deter, detect and counter terrorist organizations and threats and sustain those capabilities.

Additional Information: Target:2007: 4 countries, 2008: 8 countries, 2009: 10 countries   Actual Progress achieved toward goal:New Measure long-term measure for FY 2005

Measure Term: Long-term

Year	Target	Actual
2007	4	
2008	8	
2009	10	

Measure: Percentage of United Nations (UN) member states implementing UN Security Council Resolution 1373 that requires all states to take sweeping measures to combat terrorism.

Additional Information: Performance Target: For FY 2003, Performance Target is to have 96 states implement UNSCR 1373 and to complete 25 bilateral and multilateral consultations   Actual Performance:In 2001, the UN established a Counterterrorism Committee to monitor and assist members in implementing UNSCR 1373 and the Department completed 9 bilateral and multilateral consultations.

Measure Term: Annual

Year	Target	Actual
2002	82%	0.82
2003	86%	
2004	91%	
2005		

Measure: Number of planned anti-terrorism courses and number of course evaluations to ensure that skills taught continue to be retained and used after training is completed.

Additional Information: Performance Target: For FY 2003, Performance Target is to provide 210 ATA courses in support of antiterrorism activities in 60 countries and conduct program reviews for participant countries on a bi-annual basis   Actual Performance:In FY 2001, ATA provided 135 ATA courses and performed 14 in-country program reviews.

Measure Term: Annual

Year	Target	Actual
2002	135 / 14	135 / 14
2003	238/14	

PART Performance Measurements

Program: Anti-Terrorism Assistance

Agency: Department of State

Bureau: Diplomatic Security

Measure: Number of planned anti-terrorism courses and number of course evaluations to ensure that skills taught continue to be retained and used after training is completed.

Additional Information: Performance Target: For FY 2003, Performance Target is to provide 210 ATA courses in support of antiterrorism activities in 60 countries and conduct program reviews for participant countries on a bi-annual basis   Actual Performance:In FY 2001, ATA provided 135 ATA courses and performed 14 in-country program reviews.

Year	Target	Actual	**Measure Term:** Annual
2004	260/16		
2005	280/18		

Measure: Annual MeaurePerform consistent and timely reviews of groups designated as Foreign Terrorist Organizations (FTO) pursuant to US law,

Additional Information: Performance Target: Perform 100% of FTO reviews within a year; no new addition pending for more than 4 months.   Actual Performance:In FY 2001, 31 groups were designated as FTOs.

Year	Target	Actual	**Measure Term:** Annual
135			

Program Assessment Rating Tool (PART)

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Building Operations
Type(s): Capital Assets and Service Acquisitio

Section Scores				Overall Rating
1	2	3	4	Effective
80%	89%	100%	92%	

1.1 Is the program purpose clear? Answer: Yes Question Weight: 20%

Explanation: The comprehensive empowerment of the Secretary of State, in the Foreign Service Buildings Act of 1926, to purchase or construct facilities abroad is reflected clearly in the mission statement of the Department's Bureau Overseas Buildings Operations (OBO): "...to ensure that U.S. Diplomatic and Consular Missions abroad are provided safe, secure, and functional facilities...." The upsurge of international terrorism, particularly the 1998 bombings of U.S. embassies in East Africa, added emphasis to security issues. The purpose of OBO's security-related construction program was further specified in subsequent legislation and numerous State Department documents, such as OBO's Long-Range Overseas Buildings Plan, OBO's and the Department's annual performance plans, and annual budget requests that detail both the nature of the program and the purposes of individual construction projects.

Evidence: a. Foreign Service Buildings Act, 1926 (P.L. 69-186), as amendedb. OBO Mission Statementc. FY 1998 Emergency Supplemental Appropriations Actd. Secure Embassy Construction and Counterterrorism Act of 1999e. Long-Range Overseas Buildings Plan, FY03-08f. FY2004 Bureau Performance Plang. Dept. of State FY2004 Perf. Planh. FY 03 DOS/OBO Congressional Budget Request for Embassy Security, Construction, and Maintenancei. FY 04 Budget Request

1.2 Does the program address a specific interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: There is a specific and very serious problem being addressed by the security capital construction program. Beginning with the "Inman Report" in 1985, and reinforced by the reports of several high level panels in the late 1990s, the consistent conclusion has been that personnel and operations at most U.S. diplomatic missions are in serious danger from terrorist and other security threats. The ample evidence has consisted of multiple attacks on overseas posts and increasing worldwide terrorism. Paralleling these reports has been legislation, starting with the Omnibus Diplomatic Security Act of 1986 and (after a hiatus in funding for security-related construction projects) continuing with appropriations acts in FY 1998 through the present, that also discuss the problem and the related requirements in greater detail.

Evidence: See Sec. 1, Q 1 c - ij. Rept. of Sec. of State's Advisory Panel on Overseas Security, 6/85k. Omnibus Diplomatic Security Act of 1985 l. Report of Accountability Review Boards on Embassy Bombings in Nairobi and Dar es Salaam, 1/99m. America's Overseas Presence in the 21st Century, Report of the Overseas Presence Advisory Panel (OPAP), 11/99n. Congressionally approved top 80, high-risk posts (Classified)o. Semi-Annual Report to Congress on Acquisition and Major Security Upgrades, 6/03bbb. House Report on CJS FY02 Appropriations Bill

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Building Operations
Type(s): Capital Assets and Service Acquisitio

Section Scores				Overall Rating
1	2	3	4	Effective
80%	89%	100%	92%	

1.3 **Is the program designed to have a significant impact in addressing the interest, problem or need?**

Answer: Yes Question Weight: 20%

Explanation: The program is designed to provide new, blast-resistant buildings with sufficient setbacks if existing facilities cannot be made adequately secure. Conditions at almost 80% of the 260 posts WW dictate the need to construct secure replacements. This program is well designed to have a meaningful impact on increasing security for personnel and operations of U.S. diplomatic missions overseas--with current funding rates allowing OBO to construct about 7-9 NECs a year. FY05 will be the 1st year of a 5yr phase in of a new cost-sharing program that will increase annual funding for sec. construction significantly, thereby increasing the number of NECs that can be built. This initiative includes a rightsizing component that will require agencies to more intensely review their overseas staffing annually to make sure that they have the right number of personnel to accomplish the essential U.S. Government mission. The OBO program, as designed, can handle the increased NEC-construction workload and the facility-size rightsizing variations.

Evidence: See Sec. 1, Q 1 c - ij. Rept. of Sec. of State's Advisory Panel on Overseas Security, 6/85k. Omnibus Diplomatic Security Act of 1985 l. Report of Accountability Review Boards on Embassy Bombings in Nairobi and Dar es Salaam, 1/99m. America's Overseas Presence in the 21st Century, Report of the Overseas Presence Advisory Panel (OPAP), 11/99n. Congressionally approved top 80, high-risk posts (Classified)o. Semi-Annual Report to Congress on Acquisition and Major Security Upgrades, 6/03bbb. House Rept on CJS FY02 Appropriations Bill ; HR 1950 State Authorization Bill draft; FY04 President's Budget Request Cost Sharing; President's Mgmt. Agenda

1.4 **Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?**

Answer: Yes Question Weight: 20%

Explanation: The Foreign Buildings Act of 1926, as amended, empowers the Secretary of State "...To acquire by purchase or construction...or by exchange, in whole or in part, of any building or grounds of the United States in foreign countries and under the jurisdiction and control of the Secretary of State, sites and buildings in...foreign cities...." Even though overseas facilities controlled by the Department of Defense have a facilities program, DOD buildings are separate from those on diplomatic posts. USAID has been attempting to obtain appropriations for the construction of their facilities on embassy compounds; if and when this occurs, OBO and USAID would continue working closely together to ensure that there would be no overlap in programs. Thus, there are no other Federal overseas diplomatic facilities construction programs of the nature of that carried out by OBO and, therefore, no potential redundancies.

Evidence: a. Foreign Service Buildings Act, 1926 (P.L. 69-186), as amended

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Building Operations
Type(s): Capital Assets and Service Acquisitio

Section Scores				Overall Rating
1	2	3	4	Effective
80%	89%	100%	92%	

1.5 **Is the program optimally designed to address the interest, problem or need?** Answer: No Question Weight: 20%

Explanation: FY05 will be the first year of a 5yr phase in of a new capital security cost sharing prog which will increase annual funding for sec.construction significantly thereby increasing the number of NECs that can be constructed each year.This initiative will include a rightsizing component in all agencies with staff overseas will review their overseas staffing annually to make sure that given existing security threats and foreign policy goals, only mission essential personnel are overseas.From85-99,several independent,high-level panels reached conclusions re the opt. design of the program.These panels, along w/Congress and associated legislation, heavily influenced the formulation of what constitutes this OBO program.That direction was further refined through experience and input of overseas posts and other agencies.OBO has excellent long-range planning, integrated design reviews, and standard embassy designs.OBO frequently seeks input from outside experts and has improved efficiencies, increased construction speeds, and made sure that NECs are appropriately designed.

Evidence: c. FY 1998 Emergency Supplemental Appropriations Actd. Secure Embassy Construction and Counterterrorism Act of 1999j. Report of Secretary of State's Advisory Panel on Overseas Security, 6/85k. Omnibus Diplomatic Security Act of 1985 l. Report of Accountability Review Boards on Embassy Bombings in Nairobi and Dar es Salaam, 1/99m. America's Overseas Presence in the 21st Century, Report of the Overseas Presence Advisory Panel (OPAP), 11/99 n. List of Congressionally approved top 80, high-risk posts (classified)o. Semi-Annual Report to Congress on Acquisition and Major Security Upgrades, 6/03

2.1 **Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: Yes Question Weight: 12%

Explanation: The primary long-range goal of the Capital Security Construction Program is to provide, at an accelerated pace, secure facilities at high-risk overseas posts to protect employees and operations from terrorists and other security threats. The Congressionally approved list of the top 80 high-risk posts constitutes the initial long-range target, which is contained in OBO's LROBP--along with associated performance goals/measures that closely track the progress of replacing facilities at those posts. The baseline, established in FY 1999, is coupled with clear annual targets for beginning new capital security projects. The output is substantially more secure facilities. The outcome is protection of overseas post personnel, operations, and information from terrorism and other threats.

Evidence: e. Long-Range Overseas Buildings Plan (LROBP)p. Performance Measures for Capital Security Construction Program (abbreviated list)ll. Performance Measures for a Results-Based Organization

2.2 **Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?** Answer: Yes Question Weight: 11%

Explanation: From OBO's comprehensive annual performance goals, as described in its 75-page Performance Measures for a Results-Based Organization, a limited number of key ones demonstrate progress in the Capital Secure Construction Program. These are to award contracts on time in accordance with the LROBP, to complete projects on schedule and within budgets, and to acquire sites for capital projects per the LROBP timetable. These discrete, quantifiable goals clearly relate to meaningful measurements of progress. With acquisition of sites being a prerequisite for subsequent construction of facilities, for example, the good achievements in that regard indicate that the next steps can occur in the upcoming target periods. The goal for awarding actual construction or design-build contracts is the clearest indicator or progress, with execution within budget and schedule goals being two central measures of efficiency.

Evidence: e. Long-Range Overseas Buildings Plan (LROBP)p. Performance Measures for Capital Security Construction Program (abbreviated list)ll. Performance Measures for a Results-Based Organization

2.3 Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?

Answer: Yes   Question Weight: 11%

Explanation: DOS bureaus, tenant agencies, and overseas posts are frequently consulted and provide input to the Long-Range Overseas Buildings Plan (LROBP) to ensure that all parties are committed to the goals and objectives of the program and that all are "on the same page" as to requirements and intended end results. The LROBP is constantly reviewed, with some of this information also contained in quarterly updated Post Data Books. This broad intra- and inter-agency collaboration continues throughout project life cycles, in integrated design reviews (IDRs) and during all aspects of construction. Contractors become committed to projects by their contract terms and understanding of the goals reflected in the statements of work, as well as through participation in IDRs, value engineering studies, partnering sessions with OBO officials, and joint problem-solving efforts.

Evidence: q. Bureau/tenant agency input to the LROBPr. Integrated Design Review (IDR) process descriptiongg. Cables that illustrate typical post involvement in planning for new construction projectstt. Statement of work (Kabul)kkk. OBO Post Data Book, 6/03

2.4 Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?

Answer: Yes   Question Weight: 11%

Explanation: Since, as discussed in question 4 (section I) above, there is no other capital secure construction program for overseas diplomatic missions, this question is not applicable. This does not mean that OBO does not continually seek and share information on issues related to its capital security program, such as with blast testing at the Sandia National Laboratories, information sharing with its Industry Advisory Board, and learning from the experiences of government and private entities involved with construction. And, of course, OBO works closely with the DOS Bureau of Diplomatic Security and the intelligence community to improve security. Nevertheless, there is no other program that is interrelated in the sense meant in this question; that is, with the same clients and the need for collaborative resource allocation.

Evidence: NA

2.5 Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?

Answer: Yes   Question Weight: 11%

Explanation: The Bureau of Diplomatic Security (DS), regional bureaus, the Inspector General (OIG), overseas posts, and outsiders (other agencies, GAO, and Congress) play roles extensive enough to ensure comprehensive appraisals at every project phase. In the planning phase, other agencies, regional bureaus, and DS contribute to periodic revisions of the Long-Range Overseas Buildings Plan (LROBP) priorities and individual project plans. Contractors, DS, and other agencies participate in integrated design reviews and value-engineering analyses and before construction, with DS certifying to Congress that security measures are in place. After construction begins, DS conducts 2-3 accreditation inspections to ensure that security requirements are fulfilled. Post personnel rate the buildings during OBO-conducted post-occupancy evaluations. GAO and the DOS OIG have commented favorably on this multi-phase collaboration and on the program's accomplishments. (See Sec. IV, Q-5).

Evidence: q. Bureau/tenant agency input (sample) to the LROBPr. Integrated Design Review (IDR) Process descriptions. Value engineering study (sample on Sofia), VE performance chart, and VE policy decision memot. Accreditation by DS on Kampala NOB (classified)u. Accreditation review procedures (MOU with DS)v. Post-occupancy evaluation sample (Ottawa)w. GAO 3/00 report: Overseas Emergency Security Program Progressing...z. Project Performance Review (PPR)hhh. Certification letter to Congress on Sofia NEC

2.6 Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?

Answer: Yes Question Weight: 11%

Explanation: OBO's Long-Range Overseas Buildings Plan (LROBP) provides project requirements and funding estimates--clearly linking individual security capital projects with intended benefits and specific amounts of required appropriations. Annual budget requests, in turn, correspond to the yearly plan targets and reflect past, current, and expected performance. The impact of funding, policy, and other changes modify the timing and sometimes cause the replacement of projects in the LROBP. They also change budget requests, if they are known with sufficient advance notice. Otherwise, they are included in reprogramming actions. In either case, the program consists of distinct usable segments that relate directly to a project list that constitutes the long-range plan. They can therefore be rearranged if conditions in a particular country preclude immediate construction activities or a project cannot be funded, started, or continued for another reason.

Evidence: e. LROBPh. FY03 OBO budget I. FY04 OBO budget requestx. Financial Plan 4/1/02 & 8/9/02 (showing adjustments related to changed conditions)

2.7 Has the program taken meaningful steps to address its strategic planning deficiencies?

Answer: Yes Question Weight: 11%

Explanation: Since March 2001, under its new bureau D29title, OBO has undergone a thorough restructuring and an accountability-centered revamping of procedures to address previous management deficiencies that had been identified in numerous reports. For example the 1/01 GAO criticism about the quality of long-range planning has been answered by the creation of a new three-division office to provide integrated, expert planning and development of OBO's Long-Range Overseas Buildings Plan. The LROBP, with other information lays out a six-year road map for the Capital Security Construction Program.Other management improvements have included the requirement for making business cases for every major decision, the "sandbox concept" grouping of similar functions with strict assignment of responsibilities, the comprehensive introduction of performance measures, the continual incorporation of industry best practices, integrated design reviews, and regular weekly and monthly project reviews that afford top OBO management the ability to constantly check performance and correct problems.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP)F. BBP Overview (incls. organizational strategies)r. Integrated Design Review Processy. OBO organization chartz. Monthly Project Performance Review (PPR) examplehh. OBO Industry Day chartsii. "What's New in OBO" (pillars)kk. Program Assessment briefing charts (re prior deficiencies)mm. GAO 1/01 Rpt.: Embassy Construction Requires Better Long-Term Planningddd. Industry Advisory Panel, brief descriptioneee. Standard Embassy Design Description

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Building Operations
Type(s): Capital Assets and Service Acquisitio

Section Scores				Overall Rating
1	2	3	4	Effective
80%	89%	100%	92%	

2.CAP1 **Are acquisition program plans adjusted in response to performance data and changing conditions?** Answer: Yes Question Weight: 11%

Explanation: The most comprehensive, systemic process for making planning adjustments involves the continual fine tuning of the Long-Range Overseas Buildings Plan (LROBP). OBO's planning operation constantly reviews reports from posts, regional bureaus, and others on changing country conditions, regional priorities, and other factors (e.g., building lease or purchase opportunities, site acquisition possibilities or problems) that will affect facility replacement options. Modifications dictated by such changes are reflected in LROBP updates and in financial plan and other reports to Congress that, in turn, can lead to other alterations. Mandatory submissions of business cases for OBO Director project approvals provide another routine level of review and possible changes. During project execution, further changes flow from data gathered in the design and value-engineering processes and from information provided frequently during construction by on-site OBO project directors. And in all phases, projects are reviewed at least monthly by OBO senior management in Project Performance Reviews.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP)x. Financial Plans (4/1/02 & 8/9/02), with reprogramming summaryz. Monthly Project Performance Review (PPR) examplecc. "The Business Case" and business-case examples for capital security projectsdd. Project Director's Monthly Report (Abu Dhabi)

2.CAP2 **Has the agency/program conducted a recent, meaningful, credible analysis of alternatives that includes trade-offs between cost, schedule and performance goals?** Answer: No Question Weight: 11%

Explanation: OBO does not perform the Analyses of alternatives per se. However, a discussion of alternatives is part of an ongoing process of developing comprehensive business cases for the specific nature of each capital project. Trade-offs among cost, schedule, performance goals, and other factors determine priorities and the very nature of each individual project. Decisions on whether to construct a new facility, or multiple facilities; to lease, build to lease, or direct purchase a facility; to design/build or design/bid/build; or to seek another alternative approach or variation are example on analytical decisions that are made on a case-by-case basis. If all of their requirement can be met, each and every resulting project is then reviewed by the Congress that provides or withholds approval. Subsequently, most of these decisions are evaluated by the DOS OIG and the GAO.

Evidence: r. Integrated design review (IDR) process descriptions. Value engineering policy decision memo; VE performance chart; VE study (Sofia)z. Project Performance Review (PPR) 7/30/02, showing Nairobi & Dar es Salaam resultscc. "The Business Case, " with Capital Security Project Program examplesee. Telephonic report of construction activities (Zagreb)

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: Yes Question Weight: 13%

Explanation: Posts, DOS regional bureaus, DOS Bureau of Diplomatic Security, and tenant agencies participate in prioritizing and developing projects. Once a project begins, feedback from those entities continues--in design reviews and especially from posts during construction (directly to OBO or through regional bureaus). Within OBO, all participating OBO offices and divisions closely monitor program performance and report to the Director/Chief Operating Officer during weekly project status meeting and monthly Project Performance Reviews (PPRs). During construction, on-site project directors also report detailed performance data on a monthly basis. All of these mechanisms are used to collect timely, credible, appropriate performance information that is used to manage and improve the program and individual projects. Performance indicators are also captured through the performance measure process, as summarized in the OBO Bureau Performance Plan (BPP), the Department Performance Plan (DPP), and the end-of-fiscal-year Department Performance Report (DPR).

Evidence: f. Bureau Performance Plan (BPP) overviewg. DOS FY03 Performance Plan (OBO section)z. Program Performance Review (PPR) 7/30/02 exampledd. Project Director's monthly report (Abu Dhabi example)

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?** Answer: Yes Question Weight: 13%

Explanation: Projects are assigned to individual managers who are held to be fully responsible for their successful execution. These managers are required to personally explain project performance to the Director/COO on a weekly and monthly basis, as noted in preceding question explanation, and are held strictly accountable. Stressing this accountability has been the Director/COO's constant, forcefully emphasized, major focus, and it was even more closely linked to awards, promotions, and appraisals by having all relevant performance measures incorporated into each manager's and, in fact, each employee's, personal performance standards. Contractors also are held accountable for performance, with satisfactory results in the end-project Government evaluation of them being a prerequisite for participation in future contract work.

Evidence: z. Project Performance Review (7/30/02), showing Nairobi, Tunis, and Dar es Salaam results)jj. "What We Want in Accountability"ll. "Performance Measures for a Results-Based Organization"rr. Evaluation factors for contract award (incl. evaluations for past performance)

3.3 **Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: Yes Question Weight: 13%

Explanation: In the multi-year process for large construction projects (for which no-year appropriations are appropriate), there are frequently a significant level of unobligated funds.Communications equipment and furniture are provided in latter project stages,some security and project direction expenses are spread throughout the project life cycle, and other costs come up after construction begins.The key is for obligations for regular, sequential steps to be made in a timely fashion.The existence of unobligated balances reflects the project phase, not the lack of well-timed obligations. Once appropriations are made for entire projects, and subsequent project-by-project Congressional approvals have been obtained, OBO obligates funds on a timely basis. Solid evidence for this is the relatively short spans between Congressional approvals and the major cost elements of design, design/build, or construction contract obligation for the 8 completed and 18 capital security projects currently in construction.

Evidence: iii. Capital Security Construction Projects: Congressional Approval-to-Obligation Table

3.4 **Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: Yes — Question Weight: 12%

Explanation: OBO comprehensively uses incentives and procedures to maximize the value of each dollar. First, the most cost-effective solution for providing secure facilities is chosen (see question II-9.) If new construction is selected, a standard embassy design (SED) is used, saving money by using a proven model and reducing design requirements to post-specific adaptations. Next, the contract award process emphasizes the "best-value continuum" based on efficiencies and expenses and predominantly uses fixed-price, design/build contracts and other innovative approaches. There are also intensive value engineering efforts to gain the needed functionality at reduced cost. Finally, at every step of the process--from initial planning to final post-occupancy evaluations--progress is carefully scrutinized in regular weekly and monthly meetings where efficiencies and costs are emphasized.

Evidence: s. Value engineering documentation/studyv. Post-occupancy evaluationrr. Evaluation factors for awarding contractsss. Solicitations re using fixed-price, design-build for standard embassy design projects, using one contractor for multiple projects (4 greater efficiency/lower cost strategies)aaa. OBO Director/COO's memo on mandatory COR trainingeee. Standard Embassy Design description

3.5 **Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?**

Answer: Yes — Question Weight: 12%

Explanation: Full-cost identification begins, in the LROBP process, with development of a current working estimate (CWE), which is a comprehensive cost-estimating report that accounts for site acquisition, design, construction, project supervision, construction security, furniture and furnishings, value-added taxes, and any other project costs. Although many of these costs are obligated over a project's life cycle, the Department (through OBO's "no-year" ESCM appropriation) budgets for full costs of construction (or design and construction) in a single budget year to ensure program stability and project completion.The accuracy of estimates will be improved in FY 2005 with the implementation of the Cap. Sec. Cost Sharing program which will encourage agencies to plan ahead and carefully assess current and new overseas staffing plans which will effect size and scope of NECs. The obligation and expenditures for each project are captured in the Department's financial management systems, with performance tracked against goals in monthly project performance reviews. While not allocated to each project, associated indirect headquarters administrative costs (e.g., OBO staff salaries) also are fully budgeted within the ESCM appropriation and tracked monthly.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP)I. FY03 OBO Budget Requestz. Project Performance Review (PPR)xx. Current working estimate for Nairobi and Dar es Salaam projectsyy. Budget Allocation and Planning System (BAPS) report for Zagreb capital project

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Building Operations
Type(s): Capital Assets and Service Acquisitio

Section Scores				Overall Rating
1	2	3	4	Effective
80%	89%	100%	92%	

3.6 Does the program use strong financial management practices? Answer: Yes Question Weight: 12%

Explanation: In recent annual audits of the Department of State's principal financial statements and controls, neither OBO nor its Capital Security Construction Program received any critical statements. OBO has instituted comprehensive procedures to ensure that payments are made properly for intended purposes and in accordance with prompt payment requirements. In addition, the Department's financial and OBO's voucher tracking systems have controls that prohibit duplicate payments. Moreover, all Contracting Officer s Representative (who play a key in payment certification) have been required to take 40 hours of COR training, with emphasis on the handling of design and construction contracts. Furthermore, performance measures have been established for the timely payment of invoices and the elimination of interest payments, and performance is measured and reported monthly in the Project Performance Reviews. OBO has also put in place an Industry Advisory Panel that meets quarterly with the OBO Director and senior managers to discuss best management and other practices.

Evidence: zz. Department of State Accountability Reports for FY01 (Independent Auditor's Report section)aaa. OBO Director/COO's memo on mandatory COR trainingccc. PPR 8/2/02, Vendor Payments Processing Analysisddd. Industry Advisory Panel, brief descriptionjjj. Vendor Payment Approval and Processing Procedures

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: Yes Question Weight: 13%

Explanation: Since March 2001, as a new bureau, OBO has undergone a thorough restructuring and a sweeping, accountability-centered revamping of procedures to address previous management deficiencies that had been identified in numerous reports. For example the 1/01 GAO criticism about the quality of long-range planning has been amply answered by the creation of a three-division office to provide integrated, expert planning and development of OBO's Long-Range Overseas Buildings Plan. The LROBP lays out a detailed, six-year road map for the Capital Security Construction Program. Other management improvements have included the requirement for making business cases for every major decision, the "sandbox concept" grouping of similar functions and strict assignment of responsibilities, comprehensive introduction of performance measures, continual incorporation of industry best practices, integrated design reviews, and regular weekly and monthly project and program reviews that afford senior OBO management the ability to constantly check performance and correct problems.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP)f. BPP overview (incls. organizational strategies)r. Integrated Design Review Processy. OBO organization chartz. Monthly Program Performance Review (PPR) examplehh. OBO Industry Day charts (efforts to gain ideas/partners)ii. "What's New in OBO" (pillars)kk. Program Assessment briefing slides (re addressing prior deficiencies)mm. GAO 1/01 Report:Embassy Construction Requires Better Long-Term Planning

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Building Operations
Type(s): Capital Assets and Service Acquisitio

Section Scores				Overall Rating
1	2	3	4	Effective
80%	89%	100%	92%	

3.CAP1 **Does the program define the required quality, capability, and performance objectives of deliverables?** Answer: Yes Question Weight: 12%

Explanation: OBO's extensive LROBP development process comprehensively and clearly defines capital project characteristics, with security aspects conforming to intelligence community standards, and facility needs being determined with input by USG stakeholders. Performance requirements for deliverables (embassies, consulates, etc.) undergo additional adjustments at budget request time. Project statements of work then fully describe the quality/performance expected from potential contractors, who share risks with performance-based, fixed-price agreements. Competitive procurements and negotiations further define requirements, including cost/schedule calculations and execution strategies based on Project Analysis Packages, Standard Embassy Designs, and OBO Architectural & Engineering Embassy Design Guidelines. Final refinements are made in the design stage. At each stage--planning, design, and construction--projects are closely monitored in weekly and monthly review sessions in which senior OBO managers respond to any needs to modify or clarify specifications, costs, or schedules.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP)qq. Project Analysis Package (Yaounde 7/02)--project justifications, details, and cost/schedule goalstt. Statement of Work (Kabul) abbreviated sampleeee. Architectural & Engineering Design Guidelines for U.S. Diplomatic Mission Buildings qqq. Project Requirement Review Sessions (Example: planning and design - Algiers, Jerusalem, Moscow) - June 2, 2003 rrr. Project Requirements Review Sessions (Examples: construction - Bridgetown, Cape Town, Sao Paulo) - June 2, 2003

4.1 **Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?** Answer: Large extent Question Weight: 25%

Explanation: Although it takes multiple years to plan, design, and construct each new embassy compound (NEC), OBO has made tremendous progress in its goal to replace facilities at 187 of the most vulnerable posts by completing 3 projects in FY02, doubling that to 6 in FY03, and having another 18 currently under construction, of which 13 are to be completed in FY04-05. In comparison the "Inman Program," the Department's largest previous undertaking of this type, resulted in 19 capital project completions in 11 years. Currently, with another 34 capital projects planned for award by end FY05, OBO is on a historic pace, one that should be further accelerated with the planned FY05 implementation of an agency cost-sharing program developed by OBO and OMB.

Evidence: See "Actual Progress" block belowf. Bureau Performance Plan Overviewh. & i. FY03 & 04 budget requestsp. Performance Measures for Capital Security Construction Programfff. Program Comparison: Inman Program vs. Current Program lll. Capital Cost-sharing and Right-sizing Senior Review Presentation

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: Yes Question Weight: 25%

Explanation: The program is meeting its annual performance goals, as demonstrated below. OBO's Long-Range Overseas Buildings Plan (LROBP) sets the targets for the first two performance goals: new capital security construction projects to be awarded and building sites to be acquired during the fiscal year. The third and fourth targets are set at the time of project contract award. OBO has made progress in all areas since the latest PART review and expects to meet its FY03 performance targets (assuming Congressional funding approval to award contracts).

Evidence: f. Bureau Performance Plan (overview--strategies)o. Semi-annual Report to Congress (6/03, on capital security projects)p. Performance measures for capital security projectsoo. Real Estate PPR (8/20/02) re sites acquired in FY02 and RE PPR (3/03) re sites acquired in FY03 and plan for FY04

Program:	Capital Security Construction Program		
Agency:	Department of State		
Bureau:	Overseas Building Operations		
Type(s):	Capital Assets and Service Acquisitio		

Section Scores				Overall Rating
1	2	3	4	Effective
80%	89%	100%	92%	

4.3 Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year? Answer: Yes Question Weight: 15%

Explanation: OBO has restructured its management and organizational elements and adopted best practices to gain greater efficiency and effectiveness in constructing capital projects. OBO attained bureau status and became a results-based organization that fully employs efficiencies that result from initiatives such as (1) adopting an automated design review/checking system and integrated design review procedures to reduce design costs and increase project quality; (2) heavily employing value engineering to gain greater construction efficiencies and cost effectiveness, with a return-on-investment of $57 to $1 in FY03; (3) implementation of new Standard Embassy Designs (SEDs) that promote faster, cheaper, higher quality designs and construction; and (4) much greater use of design/build contracts to cut construction time and costs while increasing contractor accountability. Considerable emphasis also in now placed on reducing life-cycle costs while again improving the performance of new facilities. Efficiencies enabled OBO to save enough in FY02 to award another NEC (Freetown) in FY03.

Evidence: f. Bureau Performance Plan (overview--strategies)r. Integrated design reviewss. Value engineering policy and studykk. Program assessment briefingpp. Cost Reductions in FY01 Capital Projectsqq. Project Analysis Packagebbb. House Rpt on CJS FY02 Appropriations Bill (re cost reductions) mmm: Spread sheet of Value Engineering projects and savings for FY01-03

4.4 Does the performance of this program compare favorably to other programs with similar purpose and goals? Answer: NA Question Weight: 0%

Explanation: Although there are other construction programs in the Government, there is no other capital security construction program for overseas diplomatic missions. The varied country-by-country differences in construction conditions; the special security requirements; and the particular facility demands for diplomatic functions make this program unique and not comparable to other construction programs.

Evidence: NA

4.5 Do independent and quality evaluations of this program indicate that the program is effective and achieving results? Answer: Yes Question Weight: 15%

Explanation: The OIG and GAO are currently reviewing this entire program and have made highly favorable initial observations. State's IG commended OBO, in Congressional testimony, for it's significant improvements in planning and management, new standard embassy design concept, and it's proposed "cost-sharing" funding mechanism, which will establish greater cost sharing in the construction of new embassies and encourage "rightsizing." The GAO, in its 1/03 semi-annual report and in Congressional testimony, complimented OBO on the many positive steps to improve program management, noting favorably OBO's development of a long-range overseas buildings plan (LROBP) and its use of an Industry Advisory Board to ensure "best practices" are in place. In March 2003, GSA's Mgt Secretariat, through the Gallup Organization, cited the IAP as one of the top examples of Federal Advisory committees demonstrating superior results .... GAO noted further that the program was in the "early phase," but went on to list the many accomplishments that OBO had made and the excellent results attained thus far.

Evidence: t. DS Accreditation Review of Kampala (classified)u. Accreditation Review Proceduresv. Post accompany evaluation (POE)w. GAO report on Overseas Emergency Security Program Progressing nnn. GAO testimony before Cmte on Foreign relations 3/20/03 ooo. GAO Report to Congress dated 1/0/03 ppp. Testimony of Acting OIG of State on April 7, 2003, before the Govt Reform Subcmte on National Security, emerging Threats and International Relations Cmte

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Building Operations
Type(s): Capital Assets and Service Acquisitio

Section Scores				Overall Rating
1	2	3	4	Effective
80%	89%	100%	92%	

4.CAP1 **Were program goals achieved within budgeted costs and established schedules?** Answer: Yes Question Weight: 20%

Explanation: As noted in OBO's response to question IV-2, all 6 capital security construction projects (Tunis, Dar es Salaam, Dar es Salaam (AID), Nairobi, Bogota (AID/NAS), Zagreb) completed thus far in FY03 came in on budget and on time, with one exception (Nairobi), which was 18 days behind schedule and for which the contractor was assessed liquidated damages. Given the complicated nature of large construction projects, especially in varied and difficult overseas environments, to attain this excellent budgetary and timeliness record constitutes an outstanding achievement.

Evidence: e. LROBPkk. Program Assessment briefingnn. OBO Capital Project Overview (5/02)oo. OBO Real Estate & Property Management Office (REPM) 8/02 Program Performance Review on new embassy compound (NEC) site acquisitions

PART Performance Measurements

Program: Capital Security Construction Program

Agency: Department of State

Bureau: Overseas Building Operations

Measure: Award new capital security construction projects in accordance with the Long-Range Overseas Buildings Plan (LROBP)

Additional Information: Performance Target: Award contracts for 7 capital security projects in FY03. Actual Performance:OBO is prepared, but awaiting Congressional approval, to award 9 capital project contracts in FY03. It awarded 3 contracts in FY02 prior to the previous PART and another 9 awards after the PART submission, thus exceeding the FY02 target (9) by 3 capital projects.

Measure Term: Annual

Year	Target	Actual
2003	7	9
2002	3	9
2001	0	0

Measure: Acquire building sites that meet security setback requirements for construction of new capital security projects.

Additional Information: Performance Target: Acquire 7 new capital security project sites in FY03 Actual Performance:In FY03, one site (Panama City) under contract, will use 3 already owned by the USG; exceeded the FY02 target by 4 building sites.

Measure Term: Annual

Year	Target	Actual
2003	7	1
2002	1	4

Measure: Complete capital security projects within the scheduled authorized in the construction contracts.

Additional Information: Performance Target: Complete 100% of all capital security projects within the scheduled authorized in the construction contracts. Actual Performance:For the 6 projects completed thus far in FY03, all but Nairobi, with a tiny slippage of 18 days, have been completed on schedule.

Measure Term: Annual

Year	Target	Actual
2003	100	99
2002	100	0
2001	0	0

PART Performance Measurements

Program: Capital Security Construction Program

Agency: Department of State

Bureau: Overseas Building Operations

Measure: Complete capital security projects within the approved project budget.

Additional Information: Performance Target: Complete 100% of all capital security construction projects within the budget authorized in the construction contracts. Actual Performance:For the 6 capital security construction projects completed thus far in FY03, all were completed within approved project budgets.

Year	Target	Actual
2003	100	100
2002	100	100

Measure Term: Annual

Program ID: 10000378

Program Assessment Rating Tool (PART)

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: International Organizations (IO)
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	89%	50%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: UNDP's mandate is to provide central funding and coordination of the UN development system operational activities to advance economic and social development and poverty eradication goals, particularly where multilateral assistance can be more effective than bilateral. Its programs support U.S. strategic interests that include economic development, democracy and human rights, global growth and stability. It has also taken on an increasing role in post-conflict situations and reconstruction responsibilities in areas such as East Timor and Afghanistan.

Evidence: a) State Department FY 2004 Congressional Budget Justification for Foreign Operations b) International Organizations Affairs (IO) and US Mission to the United Nations (USUN) Bureau Performance Plans (BPP), FY 2005 c) UN decision establishing UNDP (A/6111) (b) UN Resolutions, Mandates and Development Policy Documents

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 20%

Explanation: UNDP has two essential roles: 1.) To resist a tendency to fragmentation and duplication within the UN system of operational activities that address the issue of unstable and undeveloped countries, thus avoiding a proliferation of specialized funds and funding of technical cooperation from the assessed budgets of UN agencies. 2.) To serve as the primary technical cooperation agency in the UN system to provide grant-based technical assistance in the areas of economic and social development, poverty eradication, democracy, human rights, global growth and stability, post-conflict needs and reconstruction to countries worldwide.

Evidence: a) State Department FY 2004 Congressional Budget Justification for Foreign Operations b) IO and USUN BPPs, FY 2005 c) UN decision establishing UNDP (A/6111) d) Executive Board and ECOSOC documentation and decisions (A/RES/56/201)

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight: 20%

Explanation: UNDP role is unique in providing overall coordination of UN operational activities for development in the field. Where other special interest funds have been set up such as the UN Capital Development Fund, UNFPA for population activities, UNIFEM for women's issues, these have been under the UNDP purview. UNDP has increasingly provided leadership in harmonization and coordination of UN development activities and in focusing individual country programs on overall UN agreed upon development priorities, i.e., good governance, democratic principles, sustainable development, improved health and education services, partnership with the private sector, improving the attractiveness of developing countries to investors, poverty reduction, mainstreaming women, et al.

Evidence: a) UN decision establishing UNDP (A/6111); b) IO and USUN BPPs, FY 2005; c) Executive Board and ECOSOC documentation and decisions (A/RES/56/201)

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: Per the PART guidance, no known evidence indicates that another approach or mechanism would be more efficient/effective. A variety of evaluations demonstrate improvements in efficiency over time.

Evidence: a) Triennial policy review of operational activities (UNGA Res A/RES/56/201); b) IO and USUN BPPs, FY 2005; c) Budget, Programming and Aggregated Results Documents; d) Evaluation Documents.

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: International Organizations (IO)
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	89%	50%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES — Question Weight: 20%

Explanation: UNDP reviews and revises its program funding framework every 5 years to ensure the system of distribution of available resources is in line with organizational priorities and reflects the needs of the developing countries. The formula provides for countries to graduate to a level whereby they might no longer receive financial support but would continue to be able to draw on technical advice, and finally to graduate from being a recipient country to a donor country. USG contributions are based on a consideration of the direction and effectiveness of UNDP's program. The US contribution to UNDP's core resources stipulates that no portion of the US contribution can be spent in certain specified countries. Other US contributions are made to specific projects, for which the we provide clear specifications for the expenditure of the funds, and closely monitor and evaluate the projects funded.

Evidence: a) Budget, Programming and Aggregated Results Documents

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: YES — Question Weight: 12%

Explanation: The State Department has developed a draft Bureau of International Organizations Performance Plan for the United Nations Development Programme that contains long-term goals based on UNDP and Millennium Development goals. Although UNDP cannot achieve these goals on its own, they are directly related to the organization's mission.

Evidence: a) IO BPP for UNDP

2.2 Does the program have ambitious targets and timeframes for its long-term measures?

Answer: YES — Question Weight: 12%

Explanation: The long-term goals, which are included in the measures section, set ambitious targets and timeframes.

Evidence: a) IO BPP for UNDP

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?

Answer: NO — Question Weight: 12%

Explanation: State has developed a performance plan for UNDP that has annual goals and targets. However, the performance plan does not define or explain what the program outcomes that are being measured are (e.g., it says "meet 69% of program objectives," but does not say what those objectives are). These program outcomes need to be provided in the performance plan so that an independent evaluator could determine whether the targets are measurable and give a good indication of progress towards the long-term goals.

Evidence: a) IO BPP for UNDP

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: International Organizations (IO)
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	89%	50%	

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: NO Question Weight: 12%

Explanation: The UNDP performance plan only provides annual targets for a single year (program staff did include additional annual targets in the measures section of the PART, but these targets are not included in the actual UNDP performance plan that will be used to evaluate program performance) and these targets are not measurable in their current form, because the performance plan does not define or explain what the program outcomes that are being measured are (e.g., it says "meet 69% of program objectives," but does not say what those objectives are). These program outcomes need to be provided in the performance plan so that an independent evaluator could determine whether or not the targets meet the criteria outlined in the PART and whether the targets are being met or not. In addition, the plan does not provide baseline information.

Evidence: a) IO BPP for UNDP

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 12%

Explanation: The U.S. and UNDP commit to and work toward the annual and long-term goals of the program. This is illustrated in part by the fact that State's goals for the program are the same as UNDP's goals. The Executive Board, of which the US is a standing member, approves the work program and priorities of the program. The US plays a dominant role within the Board by virtue of being the major donor. A proportion of the USG contribution is made in the form of earmarked funds for specific projects. For the latter, specific criteria for use of the funds are included in an exchange of letters between the USG and UNDP which constitutes an agreement on the expenditure of these funds. UNDP does a substantial amount of reporting on its programs and does report on performance. However, the reporting is not such that an independent evaluator can easily determine whether or not the performance goals are being achieved. State should work with UNDP to refine reporting on performance goals in a way that clearly demonstrates whether or not the goals are being met and should ensure that these reports are available to the public.

Evidence: a) UNDP Annual Reportb) UNGA Millennium Declarationc) UN decision on the Triennial Policy Review of Operational Activities d) Exchange of letters governing grant contributionse) Project documents for specified contributions

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight: 12%

Explanation: The US has an independent representative who sits on the UN Advisory Committee on Administration - Budgetary Questions (ACABQ) which does an annual review of the UNDP program and budget. An independent audit of UNDP was undertaken in 2001. In addition, donor countries called for a comprehensive review and audit of UN Office of Project Services (UNOPS), a subsidiary body of UNDP charged with project implementation for UN operational activities. These reviews and audits were of a broad scope and high quality. The UNDP Evaluation Office does periodic evaluations of projects, country programs, and global programs. The UN Office of Audit and Performance Review (OAPR) conducts regularly scheduled audits of all UN funds and programs. In addition, State's Inspector General will soon issue a report following a review of UNDP.

Evidence: b) Budget, Programming and Aggregated Results Documents

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?

Answer: NO   Question Weight: 12%

Explanation: In general, State Bureau Performance Plans do not tie resource decisions to annual performance targets. In addition, State did not have performance goals specifically for UNDP prior to the current PART review, so there was no means for the Department to tie its resource decisions directly to performance measures.

Evidence: a) IO BPP   b) IO BPP for UNDP

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies?

Answer: YES   Question Weight: 12%

Explanation: State has developed a performance plan for UNDP that has both long term and annual goals and targets as part of the 2005 PART review. While the plan has some shortcomings as discussed in questions 2.3 and 2.4, the development of a performance plan shows a significant step in the right direction. The Department should work to address these shortcomings prior to the FY 2006 PART review process.

Evidence: a) IO BPP for UNDP

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?

Answer: YES   Question Weight: 11%

Explanation: The Executive Board, of which the US is a standing member, approves the work program and priorities of the program. The US plays a dominant role within the Board by virtue of being the major donor. A proportion of a the USG contribution is made in the form of earmarked funds for specific projects. For the latter, specific criteria for use of the funds are included in an exchange of letters between the USG and UNDP which constitutes an agreement on the expenditure of these funds. However, the Department should work with UNDP to improve the linkage between these reports and the BPP for UNDP in a way that will allow independent evaluators to measure the annual and long-term goals.

Evidence: a) Budget, Programming and Aggregated Results Documents; b) Evaluation Documents

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?

Answer: NO   Question Weight: 11%

Explanation: No evidence has been provided that shows that the State Department holds key State program managers for UNDP accountable for achieving key program results and that performance standards have been set for those managers.

Evidence:

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 11%

Explanation: The State Department obligates the funds in its account in a timely manner, following which payment is made to UNDP. UNDP allocates resources to program countries on the basis of an Executive Board approved formula based on a number of factors including level of development, absorption capacity, per capita GNP, and population. A corporate scorecard provides indicators for review of each country office's expenditures and performance. Based on this, a system has been developed for releasing a second tranche of program funds.

Evidence: a) Treasury SF 133 reports; b) Budget, Programming and Aggregated Results Documents

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 11%

Explanation: UNDP has procedures, including an internal audit function, to measure and achieve efficiencies and cost effectiveness of programs. UNDP follows well-established UN procedures for competitive sourcing. For obligations of $30,000 or less, a short list of providers is developed. A system of international bidding is required for obligations of $100,000 and up. The State Department's BPP for UNDP does include one efficiency measure. This measure needs to be strengthened in subsequent performance plans, but the fact that the plan includes an efficiency measure is a step in the right direction.

Evidence: a) UNDP evaluative documents, especially DP/2002/12.

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 11%

Explanation: The raison d'etre of UNDP is to fulfill the coordinating function for donors' contributions to UN development activities. The State Department collaborates with other agencies of the USG, mostly USAID, in overseeing the activities of UNDP to this end. UNDP works within the UN Development Group at headquarters and within the UN country team of organizations active in the field to ensure a collaborative and coordinated effort.

Evidence: a) UNDP Budget, Programming and Aggregated Results Documents

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 11%

Explanation: A new approach to audits undertaken in 2001 has resulted in significant improvements in transparency of audit criteria for calculating overall performance. Subsequent documents indicate that UNDP is addressing audit recommendations. In addition, a Management Review and Oversight Committee has been established to provide the Administrator with an accountability framework.

Evidence: a) UNDP Evaluative Documents

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 11%

Explanation: UNDP has made great strides in reforming its system of management at headquarters and the field since the issuance of the UN Secretary General's 1997 Program for Reform. The audit reforms described above provide one example.

Evidence: a) UNDP Budget, Programming and Aggregated Results Documents b) UNDP Evaluative Documents

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: International Organizations (IO)
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	89%	50%	

3.BF1 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?**
Answer: YES Question Weight: 11%

Explanation: The Executive Board regularly reviews UNDP activities, annual reports, evaluations, and audits. Field activities are reviewed more regularly in the field by bilateral missions coordinating USG activities with the multilateral program of the UN. Executive Board members participate in field visits.

Evidence: a) UNDP Budget, Programming and Aggregated Results Documents b) UNDP Evaluative Documents

3.BF2 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?**
Answer: YES Question Weight: 11%

Explanation: UNDP country programs, progress reports, and evaluations are available on the agency's website.

Evidence: a) UNDP country programs and evaluations, posted at www.undp.org

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?**
Answer: NO Question Weight: 25%

Explanation: Unknown. The annual goals, which would be used to evaluate progress towards the long-term goals, can not be evaluated in their current state. See description in question 4.2.

Evidence: IO BPP for UNDP

4.2 **Does the program (including program partners) achieve its annual performance goals?**
Answer: NO Question Weight: 25%

Explanation: Unknown. The performance plan does not define or explain what the program outcomes (targets) that are being measured are (e.g., it says "meet 69% of program objectives," but does not say what those objectives are), so it is not possible to determine the extent to which the targets are being met.

Evidence: IO BPP for UNDP

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?**
Answer: YES Question Weight: 25%

Explanation: Evaluative documents demonstrate improved efficiencies in program implementation.

Evidence: UNDP Evaluative Documents

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**
Answer: NA Question Weight: 0%

Explanation: UNDP has a unique role. At present, no other comparable program has been identified.

Evidence:

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: International Organizations (IO)
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	89%	50%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: YES

Question Weight: 25%

Explanation: UNDP evaluative documents indicate that the program has improved its efficiency and effectiveness and has taken steps to address deficiencies. However, these documents also indicate that there is room for improvement, so progress needs to continue to be made by UNDP to improve its management and performance.

Evidence: UNDP Evaluative Documents

PART Performance Measurements

Program: Contribution to the United Nations Development Programme (UNDP)

Agency: Department of State

Bureau: International Organizations (IO)

Measure: Percent of UNDP program objectives achieved in eradicating extreme poverty.

Additional Information:

Year	Target	Actual	Measure Term: Annual
2003	68.7%		
2004	70%		
2005	75%		

Measure: Halve, by 2015, the proportion of people without sustainable access to safe drinking water.

Additional Information:

Year	Target	Actual	Measure Term: Long-term
2015	50%		

Measure: Percent of UNDP program objectives achieved in promoting gender equality.

Additional Information:

Year	Target	Actual	Measure Term: Annual
2003	69%		
2004	72%		
2005	75%		

Measure: Percent of UNDP program objectives achieved in ensuring environmental sustainability.

Additional Information:

Year	Target	Actual	Measure Term: Annual
2003	71%		
2004	72%		

PART Performance Measurements

Program: Contribution to the United Nations Development Programme (UNDP)

Agency: Department of State

Bureau: International Organizations (IO)

Measure: Percent of UNDP program objectives achieved in ensuring environmental sustainability.

Additional Information:

Year	Target	Actual	Measure Term: Annual
2005	75%		

Measure: Percent of UNDP program objectives achieved in promoting principles of good governance.

Additional Information:

Year	Target	Actual	Measure Term: Annual
2003	67%		
2004	70%		
2005	75%		

Measure: Percent of UNDP program objectives achieved in supporting the UN Agenda for Development.

Additional Information:

Year	Target	Actual	Measure Term: Annual
2003	79%		
2004	80%		
2005	82%		

Measure: Percent of UNDP program objectives achieved in special development situations

Additional Information: Prevent or reduce the incidence of complex emergencies and natural environmental, technical, and other human-induced disasters, and accelerate the processes of sustainable recovery.

Year	Target	Actual	Measure Term: Annual
2003	66%		
2004	68%		

PART Performance Measurements

Program: Contribution to the United Nations Development Programme (UNDP)

Agency: Department of State

Bureau: International Organizations (IO)

Measure: Percent of UNDP program objectives achieved in special development situations

Additional Information: Prevent or reduce the incidence of complex emergencies and natural environmental, technical, and other human-induced disasters, and accelerate the processes of sustainable recovery.

Year	Target	Actual
2005	70%	

Measure Term: Annual

Measure: Percent of satisfaction with UNDP's management and program efficiency reforms.

Additional Information:

Year	Target	Actual
2000		61%
2001		71%
2002		75%
2003		78%
2004		80%

Measure Term: Annual (Efficiency Measure)

Measure: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day, and the people who suffer from hunger.

Additional Information:

Year	Target	Actual
2015	50%	

Measure Term: Long-term

Measure: Eliminate gender disparity in primary and secondary education preferably by 2005 and to all levels of education no later than 2015.

Additional Information:

Year	Target	Actual
2005	primary/secondary	
2015	all	

Measure Term: Long-term

Program Assessment Rating Tool (PART)

Program: Demining
Agency: Department of State
Bureau: Political-Military Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	85%	80%	

1.1 **Is the program purpose clear?** Answer: YES Question Weight: 20%

Explanation: The U.S. Humanitarian Demining Program (HDP) seeks to relieve human suffering caused by landmines and unexploded ordinance (UXO) while promoting U.S. foreign policy interests. Program objectives are to reduce civilian casualties, create conditions for the safe return of refugees and internally displaced persons to their homes, and reinforce an affected country's stability. HDP accomplishes these objectives by supporting mine awareness and mine clearance projects and by helping to develop indigenous mine action capabilities in mine-affected nations where appropriate.

Evidence: a. Congressional Budget Justification for Foreign Operations, FY 2003b. NADR (HDP) Strategic Plan, FY 2002-2006c. USG Humanitarian Mine Action Interagency Strategic Framework, 2003d. Authorizing legislation: [Foreign Assistance Act of 1961]

1.2 **Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight: 20%

Explanation: More than 60 countries have landmines on their territory, and there are estimates that the total number of buried landmines is 45 to 50 million worldwide. These landmines and UXO cause a reported 10,000 casualties annually. DOS issues a demining report every year which includes a country-by-country analysis of the current situation. In terms of US foreign policy, the demining program supports humanitarian assistance objectives embodied in the US National Security Strategy, including: 1) enhancing security at home and abroad; 2) promoting prosperity; and 3) promoting democracy and human rights. Each annual Country Plan must also include a detailed description of the problem.

Evidence: a. Department of State, "A Hidden Killers: The World's Landmine Problem" (2001)b. Department of State, "To Walk the Earth in Safety: The US Commitment to Humanitarian Demining," September 2002c. NADR (HDP) Strategic Plan, FY 2002-2006 d. Humanitarian Demining Programs Policy and Procedures Manual, Jan 2002. (NSS)e. USG Humanitarian Mine Action Interagency Strategic Framework, 2003. (Explains NSS) f. Landmine Monitor Report, 2002. (Non-US gov publication/analysis of problem)g. UN Mine Action Database (www.mineaction.org)h. Allocation requests

1.3 **Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight: 20%

Explanation: State is one member of the National Security Council's Policy Coordinating Committee's (PCC) Subgroup on Humanitarian Mine Action (HMA), which serves as the executive coordinating body for all USG humanitarian demining efforts. Other members include the NSC, DoD, USAID, and CIA. The HDP serves as the co-chair of the PCC Subgroup. Each agency engaged in humanitarian mine action has its own role and particular responsibilities, as delineated by legislation and the USG HMA Interagency Strategic Framework. Each agency's programs are designed to be complementary but not duplicative. For instance, HDP's purpose is to reduce threat of landmine and unexploded ordinance: a preventive measure. USAID's Leahy program focus is survivor assistance, which is a corrective or rehabilitative measure. Additional avenues through which HDP guards against duplication of effort include the involvement of US Embassies and host nations (HN) in the formulation of each country's annual Country Plan. Also, HDP participates in UN Mine Action Support Groups (MASG),

Evidence: a. Legislation: i. DOS: "Foreign Assistance Act of 1961" ii. DOD: "Overseas Humanitarian, Disaster and Civic Aid (OHDACA)"iii. USAID: "Leahy War Victims Fund (LWVF)" b. USG Humanitarian Mine Action Interagency Strategic Framework, 2003 c. HDP Policy and Procedures Manual, 2002d. Annual Country Plan Request, 2003 e. United Nations (UN) Mine Action Support Group

Program: Demining
Agency: Department of State
Bureau: Political-Military Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	85%	80%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

Answer: YES — Question Weight: 20%

Explanation: The HDP administers one contract and several grants. Compared to the alternative of training and employing US Government agents, a competitive, performance-based service contract and grant program is more cost-effective and efficient, and by relying on beneficiaries expertise, superior results are attained. Supporting the UN's demining initiatives, another alternative, may compromise the program's NSS objectives and would compromise the HDP's primary objective to build indigenous demining capabilities in host countries through training and the provision of equipment/resources. UN programs focus more on actual demining activities, while the HDP's approach incorporates better sustainability.

Evidence: a. HDP Policy and Procedures Manual, 2002b. NADR (HDP) Strategic Plan, FY 2002-2006c. Terms of the Integrated Mine Action Support (IMAS) performance-based service contract. d. UN Mine Action Database (www.mineaction.org)

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES — Question Weight: 20%

Explanation: The HDP Policy and Procedures Manual is a thorough description of how the demining program is to be run, from the country and program manager's perspectives. It delineates numerous, specific steps that ensure the effective targeting of resources, such as how to receive shipments in-country, the components of a site visit, and steps taken to establish a humanitarian demining program in a host county, which ensure host country participation: 1) Host country request; 2) Policy assessment visit; 3) Site survey/program assessment; 4) Host Nation (HN) Humanitarian Demining Country Plan; 5) Memorandum Of Agreement (MOA) between Embassy and HN; 6) Program implementation; 7) Program review and audit (includes onsite reviews).Periodic on-site reviews by program managers, which entails an assessment of HN capacity and conditions, further ensures that resources and activities are properly directed.

Evidence: a. HDP Policy and Procedures Manual, FY 2002

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: YES — Question Weight: 12%

Explanation: The overall vision for the HDP program is to eliminate deployed landmines and reduce civilian casualties in mine-affected countries. To measure long-term progress, the Department has developed a long-term goal that incorporates both the humanitarian and training components of the HDP program by establishing a measure of number of countries receiving U.S. Humanitarian assistance that eliminated the most pressing humanitarian impacts and are able to sustain future operations with indigenous capacity and little or no external funding. The challenge for future improvement will be to add indicators of the global progress against landmines that this measure represents (what portion of the global problem are we addressing through FY 2005 in terms of number of mines, injuries, etc)

Evidence: a. Country declarations on impact-free status (e.g., Costa Rica)b. "Mine-safe" status is determined by the host nation, and defined as free from the negative social and economic impact of landmines and unexploded ordinance.c. Sustainment occurs when the mine affected nation achieves an indigenous demining capability, and has the management and financial wherewithal to independently pursue mine action initiatives."The Bureau Performance Plan contains this long-term goal.

Program: Demining
Agency: Department of State
Bureau: Political-Military Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	85%	80%	

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 12%

Explanation: The HDP program proposed to more than double the number of mine-safe countries between fiscal year 2003 and 2005

Evidence: Bureau Performance Plan

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 12%

Explanation: The program has two specific, quantifiable annual performance indicators that could demonstrate progress toward achieving the first suggested long-term goal: percentage reduction of landmine casualties and hectares/sq km of land returned to productive use in sponsored programs. Additional work needs to be done to define annual goals to better show performance against the long-term goal(s) of the program. Introducing a performance measure for "sustainment" or monitoring indigenous capacity training would be useful (e.g., some annual goal that would provide information on the training component that contributes to achievement of sustainment)

Evidence: a. Bureau Performance Plan, FY 2005b. FY2004 Nonproliferation, Anti-Terrorism, Demining, and Related Programs (NADR) FY 2004 Passback

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 12%

Explanation: Baselines and annual targets have been established for programs and FY 2003-2005 targets are provided. The annual goal relating to reduction in casualties could be more fosused to judge progress against the measure (5% of a range between 12,000 and 16,000 casualties)

Evidence: Bureau Performance Plan

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 12%

Explanation: Commitment to the each country's program's goals is maintained by both funding recipients and the host country. Both grantees and the performance-based service contractor are tasked to carry out long-term and annual program goals, e.g. contractor is tasked to train and equip indigenous deminers, conduct mine-awareness campaigns, etc. The host country states its commitment to the program in the Annual Country Plan by specifically outlining the landmine problem in the country and its mine action goals and objectives used to target the problem, with support from HDP. Post humanitarian demining officers maintain host country accountability through written semi-annual or annual progress reports. The reports are provided to the program manager who uses them to monitor the program, track and measure the progress of each humanitarian demining program, and assess how well the host country is moving toward the end-state identified in the country plan.

Evidence: a. PCC Subgroup on HMA b. Terms of IMAS performance-based service contract supported by monthly and quarterly reports.c. Terms of grants awarded by HDP, supported by monthly and quarterly reports.d. Annual Country Plane. Post humanitarian demining officer semi-annual progress reports (available on DOS intra-net)

Program:	Demining	**Section Scores**				**Overall Rating**
Agency:	Department of State	1	2	3	4	Effective
Bureau:	Political-Military Affairs	100%	100%	85%	80%	
Type(s):	Direct Federal					

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES — Question Weight: 12%

Explanation: On an as-needed basis, the HDP office director requested two performance reviews from Office of the Inspector General (OIG) in 1999 and 2000. As explained in question 3.7, HDP has followed the recommendations of the OIG. In response to allegations of program mismanagement, the HDP office director engaged an independent contractor to conduct an inspection of the program and the OIG conducted an inspection and issued a report (2003). The OIG report stated that by and large the allegations were misleading and inaccurate and that the few validated contract weaknesses appeared to be exceptions rather than systemic problems. HDP is implementing OIG recommendations.

Evidence: a. OIG Reports: i. "Audit of Humanitarian Demining Program, 1999" ii."Review of Humanitarian Demining Program and Procurement Activities, 2000"iii. "Review of Allegations Regarding the Humanitarian Program's Contract for Integrated Mine action Services, 2003"b. Center for Procurement Excellence: "Review of the Integrated Mine Action Support Contract for the U.S. Department of State Bureau of Political-Military Affairs, Office of Humanitarian Demining programs" (2002)

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: YES — Question Weight: 12%

Explanation: For HDP, the Congressional Budget Justification (CBJ) provides the total funding request, a summary of a sample of successful programs, the level of funding requested by each country, and the types of activities that are funded in general. The CBJ provides highly summarized information on each country program that is backed up by an HDP country plan that provides detailed and transparent information on the current and budget year plan. The 2005 Bureau Performance Plan (BPP) contains long-term goals for achieving sustainment in a number of countries that the country program information supports. In addition, program funding supports administrative expenses related to the operation and management of the demining program.A more direct link between the budget request and the performance that will be achieved in each budget year could improve the tie between accomplishment of each country goal and where each country stands relative to achieving sustainment. The country plans should also include the long-term goal the multi-year funding path estimated to achieve sustainment.

Evidence: a. President's Management Agenda Budget b. Congressional Budget Justification for Foreign Operations, FY 2003c. Bureau Performance Plan, FY 2005

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?**

Answer: YES — Question Weight: 12%

Explanation: On a regular basis, each edition of the HDP Policy and Procedures Manual and the USG Humanitarian Mine Action Interagency Strategic Framework incorporate lessons learned from past years of program experience. The NADR Strategic Plan is reviewed annually and adjusted to reflect changes in foreign policy and strategic direction. Recent steps taken to address particular strategic planning deficiencies include establishing a Humanitarian Information Unit (HIU), which will improve HDP's emergency response capacity. Also, the program dropped 4 out of 7 performance indicators during FY03 because they were determined to be inappropriate for the program's overall performance progress and never actively utilized or tracked. A renewed YES answer for the FY06 PART should be conditional upon improving long-term and annual goals explained in questions 2.1 and 2.3

Evidence: a. USG Humanitarian Mine Action Interagency Strategic Framework, 2003b. NADR (HDP) Strategic Plan, FY 2002-2006c. Compliance with OIG Report recommendationsd. FY2004 Performance Plan Draft -- September 2002e. NADR Passback FY2004

Program: Demining
Agency: Department of State
Bureau: Political-Military Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	85%	80%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES — Question Weight: 20%

Explanation: For day-to-day project management, HDP staff uses the Program Management Journal (in the HDP Decision Support System) to collect and store information on each country's program. Entries occur every 2-10 days during an activity. Information gathered includes financial data, current contracts, and activity updates. Managers use the information to compare and contrast each country's progress and provide feedback to each country. Annually, each country receiving demining assistance must submit an Annual Country Plan through the US Embassy. One section of this report demonstrates program accomplishments, organizational structure, and effectiveness in order to advocate for continuation of funding for the next year. Some countries/Embassies submit semi-annual or bi-annual reports; this varies by post and year. Recipients of HDP grants and the IMAS contractor are required to file quarterly progress and financial reports. These quarterly reports are used to fine-tune management procedures, and failure to submit required reports may result in withheld payments, deferred processing of new awards, etc. HDP regularly attends Mine Action Support Group Meetings.

Evidence: a. Annual report component of the Annual Country Plan Requestb. Program Management Journal- component of the HDP Decision Support System (available on internal program website).c. Semi-annual report from individual embassies of beneficiary countriesd. IMAS contract monthly reports and quarterly grant reports. e. Participation in the UN Mine Action Support Group (evidence needed)f. Guidance for Developing a Host Nation Country Plan (Policy and Procedures Manual) g. Sample Humanitarian De-mining Country Plan for the Republic of Azerbaijan (2003 & 2004)

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES — Question Weight: 5%

Explanation: Federal managers undergo annual individual job performance appraisals, which include an assessment of their ability to plan, execute operations, and manage contract task orders and grants. The performance standards are based on the following elements: a) thorough, accurate, timely, and fiscally supportable planning for each country program; b) implementation of demining plans to design a viable program, to secure adequate funding, and to supervise actions outlined in the program; and c) continuous assessment and evaluation of plans, programs, and implementation activities. Program managers respond to grant quarterly reports and IMAS contract reports, seek to correct problems as they arise, conduct regular site visits, and make recommendations for financial withholding when a country demonstrates lack of cooperation in resolving a problem.On the contractor/grantee level, HDP complies with the laws regarding accountability, through the Government Surveillance Plan, a component of the terms of the IMAS contract, which states how the contractor's performance will be measured, in terms of method and schedule of review. The terms of the IMAS contract include provisions where invoices can be disallowed for delays, increased costs, and poor performance. Terms of a sample grant indicate cost, schedule, and performance accountabilities and reporting requirements. The IMAS contractor submits monthly reports and conducts a verbal report with program managers each quarter.

Evidence: a. Terms of IMAS Contract: Government Surveillance Planb. IMAS Contract monthly reports and quarterly grant reports. d. Sample grant document: Manual Mine clearance & Survey/Explosive Ordnance Disposal -- Angola c. Government Performance and Results Act (GPRA) article: "IMAS Contract: A Demonstration in Successful Implementation of the GPRA Act)d. Annual individual job performance standards and appraisals.e. HDP Policy and Procedures Manual, FY 2002.

Program:	Demining
Agency:	Department of State
Bureau:	Political-Military Affairs
Type(s):	Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	85%	80%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 15%

Explanation: HDP spends allotments and processes invoices punctually each fiscal year. Records are held by Resource Management. There is minimal carry-forward of unspent funds from year to year.In allocation requests (sent to the Under Secretary of State) HDP indicates intended spending levels and purposes, on the country level and for global/cross-cutting/administrative items. Once funds have been allotted to HDP Office, a task order or grant is issued shortly thereafter, usually within 30 days. The IMAS contract and all grants over $300,000 and are audited by independent auditors for performance and financial management.

Evidence: a. Allocation and allotment requests b. Conversation with Patricia Stallings in Resource Managementb. Task orders and grants.c. Quarterly reports: IMAS contract and grantsd. Independent audit reports of IMAS contract and grants (over $300,000).

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: NO Question Weight: 15%

Explanation: HDP relies on the following mechanisms to improve program efficiency and cost effectiveness:a) HDP issues task or delivery orders under the competitive, performance-based service IMAS contract. Performance Based Service Acquisitions (PBSA), such as the IMAS contract, are structured around defining a service requirement in terms of performance objectives and measurable outcomes, rather than direct performance processes, and providing the contractor the latitude to determine how to meet those objectives. The IMAS contract provides an incentive to the contractor to maximize performance. It includes standards to determine whether performance outcomes have been met, as well as procedures to address how to manage performance that does not meet the standards. The contract shifts much of the risk from the government to the contractor, since the contractor assumes the responsibility for achieving the objectives in the work statement through the use of its own best practices and processes. b) Grant audits (see question 3.3);c) Formulation of the Bureau Performance Plan, whereby targets are adjusted each year to reflect actual progress and increase program efficiency; d) The Decision Support System (DSS), a custom-designed information technology tool designed to boost program efficiency and cost effectiveness. The DSS allows HDP managers, program managers, and financial analysts to enter, review, assess, and report information on basic country/project initiatives. The HDP program management staff track obligations, disbursements, and measurable outcomes as reported by implementing partners, whether the work is executed via a grant or an IMAS task or delivery order. The HDP Financial Manager uses DSS to track both program and administrative fund expenditures throughout the fiscal funding cycle, bringing to the attention of HDP senior managers, inconsistencies in the planned versus actual outcomes. e) The establishment of Measures of Effectiveness (MOE) for each country program. MOE templates are defined in the HDP Policy and Procedures Manual and are used to evaluate the progress of U.S. funded humanitarian demining programs and strengthen program effectiveness. The Annual Country Plan, submitted by the U.S. embassies in mine-affected countries, reports progress in the Measures of Effectiveness.Development and implementation of an efficiency measure (input cost per unit of output) would help to measure and improve the efficiency of the program and resources used.

Evidence: a. Reports from Technical Evaluation Panel and Cost Analysis Team during competition for initial IMAS contract (1999).b. Federal acquisitions regulations and Federal Assistance Law.c. HDP Policy and Procedures Manual, FY 2002- Measures of Effectiveness d. HDP Decision Support System (available on internal program website).e. FGM Task Order for the HDP Decision Support System.

Program:	Demining
Agency:	Department of State
Bureau:	Political-Military Affairs
Type(s):	Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	85%	80%	

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight: 15%

Explanation: All HDP projects entail collaboration on the following levels: international, interagency, and civil society (in host nation). Through participation in the PCC Subgroup on HMA, Mine Action Initiatives and Partnerships, UN Mine Action Support Group, formulation of country plans, as well as numerous conferences and symposiums, HDP effectively coordinates and collaborates with related programs. The NADR FY03 allocations table shows how within each country, grants are awarded to a number of different recipients, intending effective and efficient collaboration and attainment of the country plan. DOS (HDP) has Memorandums of Understanding (MOUs) with USAID and DOD that state how money will be spent by each agency on humanitarian mine action in each country. DOS (HDP) also has MOUs with each of the American embassies that specify the roles and relationship of the Department and the American embassy in managing the demining program in the host nation.HDP's contractor, RONCO, sits on the International Mine Action Standards Review Board and Steering Group.

Evidence: a. PCC Subgroup on HMAb. NADR FY03 Allocations by fiscal quarter.c. Annual Country Pland. DOS: Mine Action Initiatives and Partnerships and the Office of Refugee Coordinators (PRM) e. USAID: Leahy War Victims Fundf. DOD: Office of Assistant Secretary- Office of Humanitarian Assistance and Landmine Policyg. MOUs with DOD and USAID.h. MOUs with American embassies.i. UN Mine Action Support Group; IMAS Review Board and Steering Group Composition, Feb 2003

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight: 15%

Explanation: HDP adheres to all Federal Acquisitions Regulations and the Federal Assistance Law, and uses sound business judgment/ best practices. Payments are processed through the Bureau's Executive Office and tracked accordingly. Based on the State Department's current commitments and plans, its agency-wide financial system should meet the requirements of this question by the end of FY 2003. The State Department has deployed a new effective financial management system, compliant with federal system requirments.

Evidence: a. Federal Acquisitions Regulations and Federal Assistance Law. Information supplied by program management office.b. FY03 Q3 President's Management Agenda Scorecard on Financial Management at State Department

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 15%

Explanation: The 2000 OIG Report, "Review of Humanitarian Demining Program and Procurement Activities" recommended that HDP make various improvements to procedures governing the administration of demining programs, including strengthening management controls at participating overseas missions. As a result, HDP has persuaded embassies to establish the position of post humanitarian demining officer at each participating embassy and issued the "HDP Programs Policy and Procedures Manual", which among other things outlines the responsibilities of the post demining officer. The Office director recently hired an independent contractor to review HDP's management of the IMAS contract. The Office director also requested the OIG to investigate suggestions of mismanagement. The OIG report (2003) identified only a few contract weaknesses and considered them to be exceptions rather than systemic problems.The OIG noted issues that need improvement and brought them to the attention of HDP. HDP has prepared a draft compliance report to address the OIG's recommendations and has agreed to implement 6 of the 7 OIG recommendations to improve management of the program.

Evidence: a. OIG Reports: i. "Review of Humanitarian Demining Program and Procurement Activities (2000)" ii. "Review of Allegations Regarding the Humanitarian Program's contract for Integrated Mine action Services (2003)"b. HDP draft response to OIG 2003 report (available after approval by Assistant Secretary of Bureau of Political and Military Affairs).c. Center for Procurement Excellence: "Review of the Integrated Mine Action Support Contract for the U.S. Department of State Bureau of Political-Military Affairs, Office of Humanitarian Demining programs" (2002).

Program Assessment Rating Tool (PART)

Program: Demining
Agency: Department of State
Bureau: Political-Military Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	85%	80%	

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight: 20%

Explanation: The FY 2005 Bureau Performance Plan indicate that HDP is above target for the FY2003 "number of countries reaching sustainment" goal. However, additional work needs to be done to add indicators of the global progress against landmines that this measure represents (what portion of the global problem are we addressing through FY 2005 in terms of number of mines, injuries, etc)

Evidence: FY 2005 Bureau Performance Plan, DOS Performance Report

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight: 20%

Explanation: The FY 2005 Bureau Performance Plan indicates that HDP is above target for the FY2003 annual casualty reduction goal and on target for the number of square meters of land cleared and restored to productive use. However, additional work needs to be done to define annual goals to better show performance against the long-term goal(s) of the program. Introducing a performance measure for "sustainment" or monitoring indigenous capacity training would be useful (e.g., some annual goal that would provide information on the training component that contributes to achievement of sustainment)

Evidence: FY 2005 Bureau Performance Plan

Program: Demining
Agency: Department of State
Bureau: Political-Military Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	85%	80%	

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: LARGE EXTENT Question Weight: 20%

Explanation: HDP demonstrates improved efficiencies or cost effectiveness in 4 significant ways:a) The current IMAS contract, which is a performance-based contract, was competitively awarded in 1999. The contractor was awarded for 1 year with up to 4 option years, which conforms to Federal acquisitions regulations. It will be up for recompetition in 2004. HDP experience with the PBSA (see Question 3.4) has demonstrated that the use of performance requirements in the IMAS contract has resulted in cost savings. For example, the introduction of technology to lift bombs in Nigeria resulted in HDP program savings of $42,000, allowing the money to be redirected to other worthy projects. HDP was the first office in the Department of State to implement a performance based contract, and was recommended for two Hammer Awards (2000 and 2001) for doing so.b) The DSS IT tool provides greater visibility of financial transactions, task orders, and progress in the field. The DSS has made program management more efficient by allowing HDP staff to track on a daily basis all program activity. It allows HDP senior managers, program managers, and financial analysts the ability to enter, query, and report on basic country/ project data elements, detect problems early and identify solutions. This tool mitigates against critical information falling through the cracks, which could lead to program ineffectiveness. c) Working with the UN Mine Action Service, HDP senior managers played an instrumental role in developing the "toolbox" concept, now widely used by mine action practitioners in the field. The toolbox concept provides for the use of a range of methods such as manual, mechanical, and mine detection dogs. A direct result of the toolbox method is increased speed of mine clearance operations- which means more cost-effective clearance operations and land handed over to the civilian population in shorter time. d). There has been a gradual decrease of funding needed from one year to the next as nation approach and then reach sustainment, implying that nations reach a level of proficiency and efficiency in addressing their land-mine situation (e.g., see Namibia, Thailand, and Yemen report in the U.S. Demining Program Funding History). By building such local capacity, it reduces reliance on ex-patriot support, which directly reduces cost.Development and implementation an efficiency measure (input cost per unit of output) would be useful to compare different country programs, monitor progress made in operational efficiency, set goals, and so on.

Evidence: a. Terms of IMAS contractb. FY 2005 Bureau Performance Plan c. Independent audit reports of IMAS contract and grants (over $300,000).d. HDP Policy and Procedures Manual, 2002.e. HDP Decision Support System (available on internal program website).f. U.S. Demining Program Funding History (FY 1993-2002).g. Annual Country Plan Request, 2003.h. FGM Task Order for the HDP Decision Support System i. Landmine Monitor Report 2002j. UN Mine Action Servicek. The Vice-President's Hammer Award is reserved for teams of pioneers who create an innovative and unique process or program to make government work better and achieve results Americans care about.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: YES Question Weight: 20%

Explanation: The United Nations Mine Action is the only program with a similar scope, content, strategy, and objectives as the US program. The HDP differs in that it confers early-on ownership of a program to the mine-affected nation, while the UN program prefers a longer reliance on ex-patriate oversight. The US approach confers greater sustainability.

Evidence: UN Mine Action Service International Mine Action Standards

Program: Demining
Agency: Department of State
Bureau: Political-Military Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	85%	80%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: YES

Question Weight: 20%

Explanation: The Office of the Inspector General (OIG) conducted performance reviews of the demining program in 1999 and 2000 upon HDP office director's request.

Evidence: a. OIG Reports:i. "Audit of Humanitarian Demining Program, 1999" ii."Review of Humanitarian Demining Program and Procurement Activities, 2000"

PART Performance Measurements

Program: Demining

Agency: Department of State

Bureau: Political-Military Affairs

Measure: Number of Countries receiving U.S. Humanitarian Demining assistance that eliminated the most pressing humanitarian impacts and are able to sustain future operations with indigenous capacity and litte external funding.

Additional Information: Sustainment occurs when the mine affected nation achieves an indigenous demining capability, and has the management and finacial wherewithal to independently pursue mine action initiatives.

Measure Term: Long-term

Year	Target	Actual
2002	12	9
2003	13	13
2004	17	
2005	23	
2006	28	

Measure: Annual percentage reduction in number of reported landmine casualties from landmines and unexploded ordnance (UXO) in countries with humanitarian demining programs.

Additional Information: Targets were changed from quantities to percentages because percentages are used in the Department Plan. Percentages provide better indication because the program often deals with a range rather that a single fixed quanity. Over time, it will be more difficult to extract the same percentage decrease from ever-diminishing figures.

Measure Term: Annual

Year	Target	Actual
2001	5	5
2002	5	5
2003	5	
2004	5	
2005	5	

PART Performance Measurements

Program: Demining

Agency: Department of State

Bureau: Political-Military Affairs

Measure: Square meters of land cleared and restored to productive use in sponsored programs (annual) out of a total of 719,536,000 sq. meters in countries receiving U.S. assistance.

Additional Information: Change in performance measure beginning in FY02. PM/HDP now relies on reports from sponsored programs only and no longer counts the total clearance in country.

Measure Term: Annual

Year	Target	Actual
2002	82,500	82,500
2003	72,000	82,500
2004	74,000	
2005	88,000	

Program Assessment Rating Tool (PART)

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asi
Agency: Department of State
Bureau: Educational and Cultural Exchanges
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	100%	84%	

1.1 Is the program purpose clear? Answer: Yes Question Weight: 20%

Explanation: Educational and cultural exchange programs develop friendly, peaceful and sympathetic relationships and increase mutual understanding and respect by promoting personal, professional, and institutional ties between private citizens and organizations in the United States and abroad, as well as by presenting U.S. history, society, art and culture in all of its diversity to overseas audiences. Bureau academic and professional exchange programs in NEA and SA identify future leaders and build a foundation of trust with current and potential leaders throughout the world in order to promote better appreciation of the United States abroad and greater receptivity for U.S. policies among foreign publics. Exchange programs also help build a corps of American intellectuals and opinion leaders who are well informed about beliefs, values, and events in other countries.

Evidence: Fulbright-Hays Act; Smith-Mundt Act; Presidential Memorandum on International Education Policy dated April 19, 2000; FY 2004 Performance Plan; Ties that Unite Us Brochure; ECA Web Site http://www.exchanges.state.gov; Congressional Budget Justification; Bureau Performance Plan FY 2005

1.2 Does the program address a specific interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: The specific interest and need addressed by all Exchange programs is the need to raise the level of understanding of values, ideas, and methods between Americans and people from other countries. The events of September 11, 2001, demonstrated the need for increased mutual understanding, especially with the people of Near East Asia and South Asia and more focus has been placed on exchanges in NEA and SA since then.

Evidence: Fulbright-Hays Act; Smith-Mundt Act; Presidential Memorandum on International Education Policy dated April 19, 2000; FY 2004 Performance Plan; Ties that Unite Us Brochure;f. ECA Web Site http://www.exchanges.state.gov; Congressional Budget Justification; Bureau Performance Plan FY 2005; Public Opinion Polls conducted post-September 11; British Council study "Connecting Futures Research 2002";Pew Charitable Trusts study ; P4L One-Page Summary; PLUS Summary

1.3 Is the program designed to have a significant impact in addressing the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: Design is based on intervention theory. ECA engages over 80,000 US volunteers to meet, host and collaborate with foreign visitors.ExchProgs also provide US audiences w/opportunities to understand foreign people,cultures&ideas.The Dept's progs provide foreign target audiences with participatory involvement in a range of activities that build on US perspectives and enhancement of skills &knowledge(education) related to areas relevant to specific strat. goals.ECA measures its impact by directly surveying program participants.Fed. funding for Exch.progs is the catalyst for leveraging funds from priv. sources and other govts and has a sig. effect on the promotion of global exchanges.Several large priv. fdns have stated that without Fed.support, they would not contribute to these progs.Foreign govts base their contrib's to the Fulbright program on the USG contrib.In FY02, 47% of funding for NEA Exch.Progs& 25% for SAExch.Progs was leveraged from the priv.sector,foreign govts,&other USG funds.

Evidence: Exchange theory diagram; m.Impact of Professional Exchanges on a U.S. Community:Philadelphia (Evaluation);Congressional Budget Submission;Russian Performance Goals Paper.In FY01 ECA brought 815 visitors from NEA and 339 visitors from SA to the US and sent 391 Americans to NEA countries and 163 to SA countries. In FY02, ECA increased these numbers to 1238 NEA participants,706 SA participants,474 Americans to NEA and 219 Americans to SA in response to the needed engagement with these regions.Definitions: Intervention Theory--if a person is exposed to new info.or experience behavior will change.If the right people are included in the intervention,then orgs will change&influence communities and societies.ECA Target Groups--1)Successor Generation (secondary school and undergrads);(2)Emerging Generation (undergraduate/graduate students, researchers,junior faculty,junior level professionals);(3)Mid-Level Generation (mid-level professionals, officials and academics);& (4 Senior, or Leadership, Generation (Senior professionals, officials, academics, opinion leaders,etc.).

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asi

Agency: Department of State

Bureau: Educational and Cultural Exchanges

Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	100%	84%	

1.4 Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?

Answer: Yes   Question Weight: 20%

Explanation: The State Dept's Exchange Progs are focused on furthering mutual understanding and exposing foreign populations to U.S. values, language, ideas, and policies.This focus is diff. from other USG-sponsored exchange progs, which are designed to impart specific tech. expertise to foreign participants.State's Exchange progs often indirectly support the efforts of other Fed. progs,such as USAID's intl development initiatives or the National Endowment for Democracy's democracy promotion progs,but there is no evidence of duplication.According to info compiled by the Interagency Working Group on US Government-Sponsored International Exchanges and Training,there are 13 Fed. depts and 26 independent agencies sponsoring intl exchanges and training progs in NEA and SA.These orgs sponsor more than 100 progs in the region, but the goals and target audiences of these progs differ substantially. Approx. 75%of progs are highly specific to the mission and area of expertise of the sponsoring Federal org.Of the remaining exchange and training progs, almost half are ed. progs and initiatives sponsored by the State Dept's Exchanges Bureau, the Dept of Ed.& DOD.

Evidence: IAWG Inventory of Programs FY 2001 and FY 2002 @www.iawg.gov; IAWG List of Federal Departments and Agencies with programs in NEA and SA; IAWG Report on Graduate Education Programs in the NIS.

1.5 Is the program optimally designed to address the interest, problem or need?

Answer: Yes   Question Weight: 20%

Explanation: Since Exchange Progs rely on people-to-people programs rather than govt-to-govt interaction, a structure (i.e.,competitive grants) that directly provides the resources to those groups who specialize in implementing the progs is optimal.The most closely related alternative for distributing funds for the prog. would be a direct Federal prog.However, the Fed. govt does not have the extensive local contacts in the US or abroad that partner non-profit orgs and universities have established. As part of its review of grants and competition, the Bureau has contracted Economic Systems Inc. to conduct an evaluation of its Traditional Public-Private Partnership (TPPP) grant prog. to assess whether four orgs which receive funding still meet requirements for non-competition. As an example of ECA and the design of its progs being optimal, in FY04 OMB stated that consolidating all exchanges funded by FSA and SEED into ECA would rationalize exchange policies and management and would lead to greater programmatic efficiencies.

Evidence: TPPP Competition Evaluation Draft Report;FSA Undergraduate Program Evaluation - demonstrates through the use of comparison groups that the actual exchange experience makes a difference in effectively enhancing understanding of the United States; AMIDEAST Annual Report; IREX Annual Report; OMB Passback Documents

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asi

Agency: Department of State

Bureau: Educational and Cultural Exchanges

Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	100%	84%	

2.1 **Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: Yes   Question Weight: 10%

Explanation: ECA has revised measures to incl. time frames and targets set relative to established baselines.Baselines were est. upon findings from independent prog evals and results reporting. ECA's regional goals are to(1)SA: Improve US and SA democracy,education and devtt efforts by increasing engagement with important Muslim pops so that these pops better understand US society and values;(2) NEA:Engender more positive attitudes toward and understanding of the US and its democratic values and foster the healthy exchange of ideas through expanded exchanges with Arab youth;(3) NEA:Provide Arab youth w/the tools to compete in an info-based economy through fostering educational institutional reform;& (4)Influence decision-making in NEA and SA institutions to be consistent with US natl interests.

Evidence: ECA BPP FY 2005;NEA BPP FY 2005;SA BPP FY 2005;P4L One-Page SummaryGrantee Report;RESULTS databasehttp://results.state.gov;ECA Standardized Evaluation Questions;ECA participant/program database;Pol,econ, PA & topical reporting from U.S. embassies;Alumni Reports-ACIE Newsletter;Alumni Report -Coordinator Report;State Exchange Web Site;GPRA reports from field and domesticUSG agencies;Planned prog. evals conducted by independent evaluators;Annual data call from the Interagency Wrkg Group on Exchanges&Training;Independent polling;MPP reviews for particular countries;FY02 Performance& Accountability Report & the MPP/BPP/Senior Review process.ECA measures the attainment of its goals through grant reporting from prog partner orgs,using standardized questions;exchange alumni activities and communications;alumni web site(s);GPRA reports from field and domestic USG agencies;planned prog evals conducted by independent evaluators.Strategic Goals are agreed upon through the MPP & BPPprocesses,as well as through on-going collaboration between Bureau management and prog staff and regional PD officers and PA staff at USembassies.The Bureau achieves Dept goals by providing a different mix of programming in each region and country tailored to local needs.

2.2 **Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?**

Answer: Yes   Question Weight: 20%

Explanation: ECA has annual perf.goals that demo. progress towards the overarching strategic goals.Annual targets have been set relative to established baselines.Annual perf. goals include the following:(1)annual # of participants from NEA and SA;(2)% of NEA and SA participants who increase or change their understanding of the host country immediately following their prog.experience measured through independent eval surveying;(3)% of priv. sector,foreign,&other USG funds generated for prog. use on an annual basis.ECA measures attainment of its goals through grant reporting from prog. partner orgs,using standardized questions the ECA participant/prog.database;the RESULTSdatabase; political, economic, PA and topical reporting from US embassies;exchange alumni activities and communications;alumni website(s);GPRA reports from field and domestic USG agencies;planned prog. evals conducted by independent evaluators;annual data call from the Interagency Wrkg Group on Exchanges& Training; independent polling;prog reviews for particular countries;the Perf. Report process; and the MPP/BPP/ Senior Review process.

Evidence: ECA BPP FY 2005NEA BPP FY 2005SA BPP FY 2005, MPPs from posts in NEA and SA

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asi

Agency: Department of State

Bureau: Educational and Cultural Exchanges

Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	100%	84%	

2.3 Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?

Answer: Yes — Question Weight: 20%

Explanation: Process ensures commitment of partners to annual and LT goals of the prog.Prior to solicitation, Bureau prog offices work with the reg.bureaus and PA Staff at US Embs to determine the scope/need for progs/ projs.Discussions are then codified in the RFGP.When applicant submits proposal in response to an RFGP,applicant must demo how it will attain goals for the prog,if awarded $. Applicant also must submit an eval plan to demo how it will measure its perf. and prog. toward annual and LT goals.Proposals are reviewed by US embassy,SA and NEA reg.bureau and prog staff.PA staff at US embassies submit comments re. proposals to prog office.Regional bureaus attend the grant review panel.The vetting process for grants also includes review by the Assistant Sec. and a 15-day review by the Hill.Prog office monitors the implementation of the grant through wkly or monthly phone calls/emails,and requires the grantee to submit progress,financial &final report.Through frequent communication and monitoring,bureau ensures thatannual&LT goals for progs/projs are met.ECA grants office also monitors compliance with federal regs.In 92,ECA withheld funds from the American Council of Teachers of Russian(ACTR),due to internal control weaknesses uncovered in an A-133 audit.Once controls were put in place,funding was restored to the org and it has grown to become one of ECA's largest grantee partners.

Evidence: SA BPP FY 2005NEA BPP FY 2005MEPI Project Scope DocumentECA Grants HandbookCopy of Embassy CommentsCopy of an Analysis MemoCopy of Grant Panel MinutesCopy Financial Reporting DocumentCopy of a Grant ProposalCopy of Grantee Interim ReportCopy of Grantee Final ReportECA Standardized Evaluation QuestionsCopy of RFGP Program Review CriteriaAudit Report/Documentation of Funds withheld

2.4 Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?

Answer: Yes — Question Weight: 5%

Explanation: No other Fed or priv exchange prog shares the same primary purpose. ECA works with most professional intl exchange orgs.In a recent TPPP evaluation an independent contractor researched new "market opportunities" and competitors for professional exchange progs.All of the orgs that met criteria were already grantee partners for ECA.ECA coordinates exchange activity with other Fed agencies through the IAWG.IAWG uses tools to improve the coordination,efficiency&effectiveness of exchange and training progs.Through written products(reports,alerts&announcements&Internet-based info clearinghouse)IAWG has increased info sharing.Through meetings with member orgs,study groups,workshops,roundtables &briefings IAWG creates multiple fora for discussion and cooperation.IAWG has created an Internet-based data repository and reporting system that can be used by all Fed agencies to access intl exchanges & training prog info and stats.Increasing access to info and cooperation among agencies helps agencies avoid duplication, coordinate progs&determine areas where programming needs may be unmet.Through IAWG ECA assists in the coord.of all USG Intl Visitor Progs.Some IV progs are independent and not related to ECAs.Others receive visitors from "referring" agencies(usuallyECA).There is little to no duplication among IV progs because all focus on the primary mandate and activities of sponsoring govt org.Each year IAWG publishes a resource guide on all USG IV progs and distributes it to agencies so that they can benchmark against administrative best practices.This guide improves efficiency of the progs,links administrators together into a "community" of practice and promotes cooperation and coordination in areas where there may be some complementarity.State is a signatory clearer of intl civic education grants administered by the Dept. of Ed.ECA coordinates this process for the Dept with the regional bureaus.

Evidence: IAWG web site: www.iawg.govInternational Education LocatorTPPP Evaluation Draft ReportCivic Education Partnership Agreement/Signatory DocumentInternational Visitor Roundtable Memo

2.5 **Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?**

Answer: Yes — Question Weight: 25%

Explanation: ECA uses independent professional evaluators to assess the impact of its programs.Contractors are chosen through a competitive contracting process, usually off the GSA Federal Supply Schedule or through 8a organization competition. A multi-year program evaluation plan is developed every three years and adjusted as necessary to ensure that every year an academic, professional, and citizen exchange program is evaluated.All major funding line items have been evaluated at least once and will be re-evaluated every five to seven years.ECA also requires grantee organizations to submit evaluation plans for each grant.Some grantee orgs hire independent evaluators as well.While the evaluations focus on the "brand name" program activity, all evaluations are done in country-specific context. Recent evaluations include: ACYPL Program, Georgia Institute of Public Administration; FSA Undergraduate Program.NEA-SA specific evaluations include:International Visitor Program Special Initiatives Projects; Youth Exchange Country Profile Assessment,and the soon to be launched Youth Education Scholarship (YES) Program evaluation.

Evidence: Evaluation Statement of WorkEvaluation ScheduleRFGP - evaluation requirementGrantee evaluation proposalDepartment of State Performance and Accountability Report - FY 2002Evaluation of International Visitor Special Initiative ProjectsYouth Exchange Evaluation AssessmentStatement of Work for YES EvaluationE-mail on P4L and MEPI Evaluation priorities

2.6 **Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?**

Answer: Yes — Question Weight: 10%

Explanation: ECA links these primarily through looking at # of grants or cost-per-participant figures for each prog. and then allocating the resources needed for specific activities.For example, without current services, combined with the requirements imposed by inflation and the increased mandates of the Department of Homeland Security to implement the SEVIS student visa program, we would be unable to support an estimated 300 International Visitors to this country and 100 fewer interpreters to support these visitors. We also saw that between 1994 and 2000, a 31% decline in the exchanges appropriation led to a 27% decline in International Visitors and a 44% decline in the number of program weeks for the visitors. New exch. initiatives in NEA and SA, through P4L and MEPI, are modeled after successfully performing progs funded under FSA.The effectiveness of FSA progs has been documented through independent,external prog evals.ECA specifically linked budget to performance and planning by increasing the funding resources to NEA (from 11 to 15%of total) and SA (from 6 to 9%of total) for 2003 to support its P4L initiative, which targets expanded exchs to youth and educational reform inclusive of NEA and SA.In it's 2005 BPP,ECA will be requesting additional funds to cover these initiatives to expand significantly exchs in NEA and SA to meet regional goals.ECA is able to reallocate funding throughout the fiscal year to reflect changing priorities and can implement new projects quickly.Eg, in FY02 it reallocated 5% of its budget to increasing U.S. engagement with the Muslim world which gave them what new exchanges?.ECA is also linking planning, perf and budget through the development of a cutting edge perf measurement system (E-GOALS).The system will be piloted tested on MEPI and P4L projects in the summer of 2003.The MPPs, the BPPs, Senior Review, and the 2004 Performance Plan also demonstrate the collaboration.

Evidence: ECA BPP FY 2005; NEA BPP FY 2005;SA BPP FY 2005;Memo on using FSA as model for P4L initiatives;E-GOALS Concept Paper;E-GOALS Architecture Paper;MEPI Meeting Notes; The FSA Undergraduate Program,which included two comparison groups and demonstrates the impact of an exchange experience on understanding of the U.S. and leadership skills,is serving as the model for a new undergrad exchange that will target NEA and SA students;PD Guidance Cable;P4L Program Matrix; Funding level formula: $([(a / (x + y)] = (1 -1) * n$, where a is the current ECE request, x is the previous year ECE enacted before rescission, y is the previous year FSA/SEED, n is the total estimated number of previous year exchange participants. DEFINITIONS: FSA-Freedom Support Act, P4L- Partnerships for Learning; 2002 BPP Presentation

Program:	Educational and Cultural Exchange Programs in Near East Asia and South Asi
Agency:	Department of State
Bureau:	Educational and Cultural Exchanges
Type(s):	Competitive Grant

Section Scores				**Overall Rating**
1	2	3	4	Effective
100%	100%	100%	84%	

2.7 **Has the program taken meaningful steps to address its strategic planning deficiencies?** Answer: Yes Question Weight: 10%

Explanation: ECA has taken proactive steps to include a broader array of stakeholders in the overall planning process, reaching out to the regional bureaus at State and coordinating more closely with the Dept's PA and IIP offices.ECA led the development of a revised strategic goal for PD and the new perf. goals and measures under the plan.Working with the PD staff, guidance was sent to U.S. embassies on including PD and mutual understanding in the MPPs.ECA participates extensively in policy and planning committees for several initiatives aimed at NEA and SA countries.Based upon recommendations from the 04 PART, ECA has revised its goals to include timeframes and set targets relative to established baselines.It has worked closely with NEA and SA to develop common regional goals for exchange progs.ECA has hired a coordinator for its NEA and SA initiatives, established a biweekly working group on these initiatives, and hired a P4L and MEPI evaluation officer.

Evidence: Exchanges Bureau's Post 9/11 Action Plan ECA BPP FY 2005NEA BPP FY 2005SA BPP FY 2005Department of State 2004 Performance Plan

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: Yes Question Weight: 10%

Explanation: NEA,SA and ECA regularly collect prog perf info incl. a range of reporting and evaluation, incl. perf checklists,grantee reports,results reports from US embassies through the RESULTS database and independent external evals.Each grant prog requires reporting from participants and/or grant orgs(eg IV proghas escort/interpreter reports,Fulbright Program has end-of-experience final reports)which are all based upon country and region specific projs.The reporting structure used by the FLEX youth exchange,will serve as the perf reporting model for ECA's primary NEA/SA initiative,the YES Youth Exchange.This covers qtrly participant reporting, financial reporting as well as a host of success stories, effectiveness and alumni reporting.The E-GOALS perf measurement system is building in an activity and perf reporting capability for data to be entered by prog partners that will be pilot-tested in FY03-04 with P4L in NEA and SA and MEPI projs which cover NEA countries.The IV Prog. uses a natl prog agency perf checklist to measure the perf.The checklist is completed by prog officers after each proj is completed and rates the perf of the NGO used for that proj on 25 indicators in 5 areas.ECA has used the results from these checklists to shift workload responsibilities to better performing orgs.

Evidence: RESULTS database (examples); Reporting requirements survey matrix; International Visitor Program: National Program Agency Checklist;International Visitor Program: Escort Interpreter Report;International Visitor Program: End of Project Survey;International Visitor Program: Results Cable;Fulbright Program: Participant Final Report;Fulbright Program: Final Grant Organization Report;Youth Exchange: Survey;Youth Exchange: Bradley Herald;Embassy Program comments, FLEX Reporting Document List

		Section Scores				Overall Rating
Program:	Educational and Cultural Exchange Programs in Near East Asia and South Asi	1	2	3	4	Effective
Agency:	Department of State	100%	100%	100%	84%	
Bureau:	Educational and Cultural Exchanges					
Type(s):	Competitive Grant					

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?** Answer: Yes Question Weight: 10%

Explanation: Proj managers and prog partners are held accountable.Performance benchmarks for project/program managers were established in 1997. Managers must meet the benchmarks before being promoted. Program managers are also held accountable through the grant proposal review process. Program managers must explain the performance of a program by the program partner in order to defend the proposal and secure new funding. In grant renewal cases, the proposal defense is put before a panel of senior bureau managers, who must determine as part of the decision-making process whether the program has encountered cost, schedule or performance results. All program partner organizations must submit program progress and financial statements. In order to provide a system of independent checking of grant performance, the program reports and the financial reports are sent both to the program manager and the grants/contracting officer. The grant closeout process is also separated from the program manager to ensure an objective review of the final performance, cost and schedule.

Evidence: Program Manager benchmarksGrant Proposal Analysis MemoPanel Review MinutesGrant Process HandbookFinancial Statement FormGrant Closeout Document

3.3 **Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: Yes Question Weight: 10%

Explanation: The Exchanges apporpriation is no-year money.The Bureau obligates 99% of the account annually for the intended purpose of its programs.Congress frequently directs the Bureau to expend unrestricted balances to the maximum extent possible on otherwise non-funded items in bills and conference reports. In terms of managing its funds to ensure that obligations are timely and spent for intended purposes, the Exchanges Bureau uses the A-133 audit process to audit grantees.ECAuses the HHS payment system in order to review funds before they are drawn down, and when there are questions about an organization's spending, the Bureau puts them on a reimbursable payment schedule.ECA's budget office distributes monthly status of funds reports to all middle and senior managers in the bureau.

Evidence: Status of funds reportGrantee Audit ReportFinancial Reporting Form

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asi
Agency: Department of State
Bureau: Educational and Cultural Exchanges
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	100%	84%	

3.4 **Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: Yes — Question Weight: 10%

Explanation: Cost effectiveness/comparison is a prescribed criterion in all grant proposal reviews.ECA also uses IT improvements to achieve efficiencies and cost-effectiveness.In NEA and SA IT has been used to improve program effectiveness.The AMIDEAST Educational Advising Center in the West Bank/Gaza is implementing viritual advising to overcome the physical barriers of Palestinian students who cannot reach the local advising center.AMIDEAST also has an online research service for all Educational Advisors that fosters quick responses to questions about U.S. education.For this service, AMIDEAST tracks efficiency measures such as the amount of time to respond to questions.Other ECA examples: During the competition for the Fulbright Student Program grant in FY01, cost-effectiveness became one of the central deciding factors for awarding the grant due to the large differences in cost-sharing, and thus unit cost, between the competing organizations.In FY02,cost-sharing requirements for interested NGOs will increase to 50% from 20-30% in Citizen Exchange programs.In FY 2000 ECA established a technology prioritization committee and process comprised of senior managers from the Bureau and International Information Progs/IT.The group reviews all bureau IT projects and makes decisions about what projects to fund and at what levels.

Evidence: IT Business Plan Phase 1 ReportPrioritization Committee DocumentsRequest for Grant Proposal solicitation/POGIAMIDEAST Virtual Advising Proposal

3.5 **Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?**

Answer: Yes — Question Weight: 10%

Explanation: All of the Bureau's costs, except for space and utilities, are included in a single budget account/appropriation (administrative/overhead costs are included in a Program Support line item). The number of participants will change depending on funding levels, which then affects the ability of the Bureau to achieve its goals.

Evidence: Annual budget requestsNEA MPPsSA MPPsNEA BPPSA BPPECA BPP Funding Level vs. Program Level PaperP4L/MEPI Program MatrixWithholding of Funding documentation

3.6 **Does the program use strong financial management practices?**

Answer: Yes — Question Weight: 10%

Explanation: The Bureau submitted itself to an independent review of its financial practices in 1999.The accountant identified no fundamental weaknesses in the Bureau's financial management practices. The Bureau utilizes a number of means to ensure strong financial management practices. It has developed its cuff record system to check obligations against commitments. In addition, the Bureau employs a financial analyst who checks line-by-line obligations and commitments to ensure quality payment control.

Evidence: Financial review report (submitted last year)CMFS and CUFFS screen shots

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asi

Agency: Department of State

Bureau: Educational and Cultural Exchanges

Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	100%	84%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: Yes Question Weight: 8%

Explanation: Over the past 7yrs,ECA has developed integrated systems to manage and track its exch projs and their participants from beginning to end.Until recently, one aspect of this effort has proven intractable and was reported by the former USIA as a material weakness:the coord. of prog and financial data on exchanges.ECA's goal--to provide consistent and accurate data on grant funds and recipients--was frustrated by parallel,and incompatible,systems.ECA has taken steps to correct this problem.ECA's exchanges database now includes solicitation,proposal and grants modules that are in production.Beginning in FY03,budget and grants staff will access this database and supplement data in these modules rather than creating duplicate solicitation and proposal records.ECA has modernized its stand-alone "cuff accounts" system with an internal commitments system that is fully integrated with the exchgs database and uses the same tables and files.ECA has completed a requirements analysis for the grants office and is developing a grants module of its exchg. database that should be in test phase in fall 02 and in production by March03.Based upon recs from the FY04 PART, ECA has revised its goals to include timeframes and set targets relative to est baselines.ECA has worked closely with NEA and SA to develop common regional goals for exchange progs.ECA will also implement a new performance measurement system that is structured around the PART and its recommendations.

Evidence: Database architecture descriptionCMFS, CUFFS Screen Shots

3.CO1 **Are grant applications independently reviewed based on clear criteria (rather than earmarked) and are awards made based on results of the peer review process?** Answer: Yes Question Weight: 8%

Explanation: ECA annually reviews approx 1,000 grant proposals and awards approx 335 new grants.In the 02 open grants competition,the Office of Citizen Exchanges(OCE) reviewed 31 grant proposals and awarded 13 grants for projs with NEA and SA.For 03,OCE reviewed 52 proposals and awarded 25 grants for NEA and SA projs.In FY02, in its small grants prog OCE reviewed 17 proposals for 4 awards.Btwn 98 and 02, ECAworked with 93 orgs on progs in NEA and SA.All ECA grants in NEA and SA as well as in other regions are awarded based on submitted proposals in response to formal solicitations with specific goals and review criteria.ECA maintains a list of open RFGPs and accompanying solicitation docs.ECA RFGPs are usually published each Thursday in the Federal Register.All solicitations use the following standardized review criteria:(1) broad and enduring significance of institutional objectives;(2)creativity and feasibility of strategy to achieve;(3)institutional commitment to cooperation;(4) proj eval;(5) cost-effectiveness;and(6) support of diversity.All grant proposals deemed technically eligible upon receipt by ECA undergo an internal review process (earmarks or not) by panels of agency staff who represent both substantive and intl geographic perspectives.Proposals are rank ordered and all recommended proposals are forwarded through the grants coordination office to the Assistant Sec. for review and approval.

Evidence: NEA and SA Grantee ListRFGP SolicitationESMS Participant Data for NEA and SA

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asi
Agency: Department of State
Bureau: Educational and Cultural Exchanges
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	100%	84%	

3.CO2 **Does the grant competition encourage the participation of new/first-time grantees through a fair and open application process?**

Answer: Yes Question Weight: 8%

Explanation: The Bureau actively seeks the involvement of first-time grantees and utilizes several approaches to increase the participation of new grantees in its competitions. The Bureau estimates that 10 percent of its grant awards annually go to first-time applicants. For the YES Program with NEA and SA, seven grantee partner organizations were selected to administer the program, of those, three are new to NEA/SA or youth exchanges. For the 2002 Citizen Exchange small grants program, 100% of the grants awarded went to new/first time grantees. In the Citizen Exchange open grants competition program, 15 percent of the awards went to new/first time organizations in 2002 and 36% went to new/first time grantee organizations in 2003. ECA annually hosts a workshop for organizations that have not received funds from ECA to explain the grants process and encourage them to apply.

Evidence: Examples include the Citizen Exchange Small Grants Competition (a worldwide competition for community-based organizations that have not received prior funding directly from the Bureau) and outreach workshops to train organizations that have not had Bureau grants in the past on how to apply.

3.CO3 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?**

Answer: Yes Question Weight: 8%

Explanation: The Bureau requires detailed interim and final reports from all grantees and conducts site visits by program managers as well as regular email and telephone communications between program managers and grantees. One hundred percent of NEA and SA IV participants on group projects are debriefed through a standardized questionnaire, 100% of English specialists in NEA and SA submit online reports using a standardized form. Nearly 100% of NEA and SA Fulbrighters submit final reports which are standardized. Depending on the length of the grant or activities within a grant, some organizations, like AMIDEAST, submit quarterly reports. Grantee organizations are also required through the grants process to conduct an evaluation of all of the grant activities and results and submit an analysis to ECA. Oversight also comes in the form of independent external evaluations, which include process and management research. We are also using the MEPI project scope document for all MEPI projects (NEA) and for P4L projects (our major initiative for NEA and SA). Grantee organization web sites like AMIDEAST's and IREX's provide program information as well as results of the projects funded by ECA.

Evidence: Interim and final reports from grantees, Independent external evaluations, Reporting requirements matrix,MEPI Project Scope, ESMS Participant Data Sheets, AMIDEAST website www.amideast.org; Grant reporting requirements (PSI)

3.CO4 **Does the program collect performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: Yes Question Weight: 8%

Explanation: ECA regularly collects prog and proj perf data and makes it available to the public on its evaluation web page and via listserves as well as in its print and online newsletter,The Exchange.Grantee perf is contained within the eval reports.ECA encourages grantees to publicly post their results info.Most grantees including AMIDEAST and IREX post their results information on their website.IIE's web site (www.iie.org) contains"Notes from the Field" which allows Fulbrighters to post their experiences online. ECA also receives results info directly from participants via the In Their Own Words website where participants describe the results of their experience.The site is searchable by country,date and prog. Grantee orgs are required to submit programmatic perf reports as part of their grant agreements.Reports are submitted to the prog manager and the grants officer for independent checks.Data in these reports includes resource info, prog activity perf, participant perf data& prog perf.The info from the reports that relates to goal attainment is made public by the grantees themselves.ECA uses key information from the reports publicly through the annual perf report,speeches,Congressional testimonyand public correspondence.Through its new perf measurement system, which will begin pilot implementation in 03,ECA will provide grantee perf data publicly on a limited number of measures.

Evidence: E-GOALS Concept Paper, E-GOALS Architecture, Grantee Report, AMIDEAST web site: www.amideast.org, IREX web site: www.irex.org, The Exchange Newsletter, RESULTS database; IIE website: www.iie.org. In Their Own Words web site: http://speakout.state.gov

4.1 **Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?** Answer: Large extent Question Weight: 25%

Explanation:

Evidence:

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: Large extent Question Weight: 25%

Explanation:

Evidence:

4.3 **Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?** Answer: Yes Question Weight: 20%

Explanation: All competitive grants contain cost-effectiveness criteria as part of the resource allocation process.At the prog level,2 indicators of cost-effectiveness are used:(1)cost per participant(input to output ratio);&(2) program to administrative cost ratio.Prog offices track these indicators over time to plan the scope of programming capability and ensure proper cost-containment and efficiency.Although ECA can track these indicators at the bureau, or "exchanges" level, the high level aggregation is not useful due to differences in types and durations of progs, fluctuations in exchange rates & changes in prog components.Through its mix of programming and efficiency,ECA reduced the cost-per participant for NEA/SA participants by 10% between 01 and 02.Some of this drop is due to discovering economies of scale w/increased $ to the regions.In 02, ECA reallocated 5% of its budget to increasing US engagement with the Muslim world, which was primarily to NEA and SA.In 03,ECA arranged its budget so that 15% of its allocation went to NEA and 10% went to SA.

Evidence: RFGP CriteriaProposal Analysis Memo

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asi
Agency: Department of State
Bureau: Educational and Cultural Exchanges
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Effective
100%	100%	100%	84%	

4.4 Does the performance of this program compare favorably to other programs with similar purpose and goals?

Answer: NA — Question Weight: 0%

Explanation: The Interagency Working Group for International Exchanges and Training (IAWG) in are report on performance measurement determined that it is too difficult to set common performance measures for exchange programs across the USG. The purposes of exchanges administered through private sources do not have the same goals. On the international front, ECA has launched a joint evaluation with the British Council (the UK equivalent to the former USIA) to measure the effectiveness of teacher exchanges, which will be used to to look at comparability as well as feed into each organization's strategic planning. ECA is also consulting and advising Italian and Japanese exchange programs on how to measure effectiveness.

Evidence: Fulbright Teacher Exchange Evaluation Statement of WorkBritish Council Terms of Reference for the sameIAWG Performance Measures Report

4.5 Do independent and quality evaluations of this program indicate that the program is effective and achieving results?

Answer: Yes — Question Weight: 30%

Explanation: Seventeen independent evaluations of functional programs worldwide conducted by 12 external evaluation organizations have concluded that ECA's exchange programs are effectively meeting goals. In addition, a preliminary evaluation of the Bureau's "September 11 Special Initiatives Projects," which were focused on increasing understanding of the United States among people from Muslim countries, primarily in NEA and SA, demonstrates the positive impact these International Visitor programs had on participants in the year following the terrorist attacks.

Evidence: Evaluation of the "September 11 Special Initiative Projects,"--a long-term impact study is scheduled for 2004."Islamic Countries Youth Initiative Country Profiles & Assessment" -- used as a needs assessment to strategically plan the phasing in of countries for the Youth Education Scholarship (YES) Program.Evaluation of the "YES Program" -- scheduled for 2003-2004 will include pre and post experience survey design to measure results. "Young Ambassadors Institute" Evaluation will include pre and post experience survey, six-month follow-up and year follow-up to measure impact of program on student leaders from NEA.

PART Performance Measurements

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia

Agency: Department of State

Bureau: Educational and Cultural Exchanges

Measure: SA: Improve US and South Asian democracy, education and development efforts by increasing engagement with important Muslim populations so that these populations better understand US society and values

Additional Information: Long-Term Goal I: SA: Improve US and South Asian democracy, education and development efforts by increasing engagement with important Muslim populations so that these populations better understand US society and values. Annual goals represent percent of participants will remain in contact or collaborate with host country people met on their program one year or longer after the exchange.

Measure Term: Long-term

Year	Target	Actual
2005	80	
2004	78	
2003	78	
2002	76	81
2001	100	76

Measure: NEA: Engender more positive attitudes toward and understanding of the United States and its democratic values and foster the healthy exchange of ideas through expanded exchanges with Arab youth

Additional Information: Long-Term Goal II: NEA: Engender more positive attitudes toward and understanding of the United States and its democratic values and foster the healthy exchange of ideas through expanded exchanges with Arab youth. Annual goals represent percent of participants will remain in contact or collaborate with host country people met on their program one year or longer after the exchange.

Measure Term: Long-term

Year	Target	Actual
2005	80	
2004	80	
2003	78	
2002	76	81
2001	100	76

PART Performance Measurements

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia

Agency: Department of State

Bureau: Educational and Cultural Exchanges

Measure: NEA: Provide Arab youth with the tools to compete in an information-based economy through fostering educational institutional reform

Additional Information: Long-Term Goal III: NEA: Provide Arab youth with the tools to compete in an information-based economy through fostering educational institutional reform. Annual goals include percent of participants who report gains in thematic knowledge skills or ability immediately following their program; and percent of institutional partnerships demonstrate institutional change (new methods, materials, training) within 3 to 5 years of establishing partnership.

Measure Term: Long-term

Year	Target	Actual
2005	80	0
2004	78	0
2003	75	0

Measure: Influence decision-making to be consistent with U.S. national interests in NEA and SA institutions through behavior and leadership of returned participants

Additional Information: Long-Term Goal IV: Influence decision-making to be consistent with U.S. national interests in NEA and SA institutions through behavior and leadership of returned participants. Annual goals represent percent of participants will initiate or implement a change in their organization or community within five years of their exchange based on knowledge gained from their exchange.

Measure Term: Long-term

Year	Target	Actual
2005	78	
2004	76	
2003	76	
2002	76	88
2001	100	76

Measure: The percentage of NEA and SA participants who increase or change their understanding of the host country immediately following their program experience.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2005	93	
2004	92	

PART Performance Measurements

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia

Agency: Department of State

Bureau: Educational and Cultural Exchanges

Measure: The percentage of NEA and SA participants who increase or change their understanding of the host country immediately following their program experience.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	92	
2002	92	91
2001	100	92

Measure: Increase the amount of private sector, foreign, and other USG funds generated for NEA and SA program use on an annual basis to reach 25 million for NEA and 10 million for SA by 2008.

Additional Information: Performance Target: 2003 target: 20 million for NEA, 5.25 million for SA. 2004: Increase cost-sharing 2 percent over 2002 baseline. 2005: Increase cost-sharing for NEA and SA by 3 percent over 2002 baseline. Actual Performance:2002: 19.8 million for NEA, 5.16 million for SA; 2001: 10.8 million for NEA, 4.5 million for SA; 2000: 14.4 million for NEA, 6.3 million for SA; 1999: 12.9 million for NEA, 5.4 million for SA.

Measure Term: Annual

Year	Target	Actual
2005		

Program Assessment Rating Tool (PART)

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	67%	89%	56%	

1.1 Is the program purpose clear? Answer: Yes Question Weight: 20%

Explanation: The purpose of the program can be stated clearly, "to provide assistance for the resettlement in Israel of humanitarian migrants from the former Soviet Union, countries in Eastern Europe, Africa and the Near East, and other countries of distress."

Evidence: I.1.a. United Israel Appeal Proposal for 2003 I.1.b. Federal Assistance Award to UIA for 2003I.1.c. Policy and Program Review Committee: FY2003 Regional Policy Paper and Implementation Plan for the Grant to the United Israel AppealI.1.d. Report of United Israel Appeal for the Period Ending March 31, 2003I.1.e. Report of United Israel Appeal for the Period Ending September 30, 2002I.1.f. Foreign Operations Act, FY2003 (PL108-7)I.1.g. FY2003 Foreign Operations Appropriations Act Conference Report LanguageI.1.h. FY2005 Bureau Performance Plan Goal Paper

1.2 Does the program address a specific interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: Despite significant declines in migrant numbers since 1991, there continues to be a need for this program because Jews in many countries of the former Soviet Union, countries in Eastern Europe, Africa and the Near East, and other countries of distress continue to face anti-Semitism and risks to their safety. This program allows resettlement to Israel and the relative safety of an environment where their religion and ethnicity are in the majority.

Evidence: I.2.a. United Israel Appeal Immigration and Funding ChartI.1.a., I.1.c., I.1.d., I.1.e, I.1.f.

1.3 Is the program designed to have a significant impact in addressing the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: Yes, this program has a significant impact because the USG contribution allows the program to serve an increased number of migrants and ensures that comprehensive services are provided so that migrants will become self-sufficient members of Israeli society. The USG grant covers about 1/3 the program cost and is thus a major component of resettling over 20,000 migrants in Israel through the provision of transportation to Israel, transitional housing, language and vocational training.

Evidence: I.1.a., I.1.b., I.1.c., I.1.d., I.1.e., I.2.a.

1.4 Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)? Answer: Yes Question Weight: 20%

Explanation: There are no other Federal, state or local programs that are similar to this program. The U.S. contribution is one piece of the overall program of the Jewish Agency for Israel, the only organization with a resettlement program in Israel. Since JAFI also receives other contributions, the Federal contribution is not necessarily "unique," however, neither is it redundant nor duplicative.

Evidence: I.1.a., I.1.b., I.1.c., I.1.d., I.1.e., I.1.f., I.1.g.

1.5 Is the program optimally designed to address the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: It is more efficient to contribute to other efforts (Jewish Agency for Israel) to resettle humanitarian migrants in Israel than for the U.S. government to fund its own program, given associated start-up and yearly costs.

Evidence: I.1.a., I.1.b., I.1.c., I.1.f.

Program Assessment Rating Tool (PART)

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	67%	89%	56%	

2.1 Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: Yes | Question Weight: 16%

Explanation: The State Department negotiated with the United Israel Appeal to set long-term goals for the 2003 grant year. The program's long term goals (LTGs) are:LTG 1: Successful emigration to Israel for grant-eligible migrants.LTG 2: Humanitarian migrants become self-sufficient members of Israeli society within the two years of grant support.The answer to this question is a yes, as the State Department was able to implement recommendations made in last year's PART with regard to establishing long-term goals. However, the first goal is not a good measure of the program purpose and should be reconsidered in future planning.

Evidence: I.1.a., I.1.b., I.1.c., I.1.d., I.1.e.

2.2 Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?

Answer: Yes | Question Weight: 16%

Explanation: The program has short-term goals (STGs) for each of the six services components funded by the grant. These short-term goals are still in development between State Department and UIA and are scheduled for finalization by the end of the 2003 grant year. These goals support the long-term goals (STGs 1-3 support LTG 1; STGs 4-7 support LTG 2). However, only one goal has a measurable baseline.STG 1: Provide courteous and timely processing, en route care, maintenance, and accurate information that addresses participant needsSTG 2: Provide courteous and timely transportation servicesSTG 3: Provide courteous service and timely delivery of relocation allowancesSTG 4: Maintain or reduce migrants average stay in absorption centersSTG 5: Enable Hebrew language participants to advance a full learning levelSTG 6: High school students under the program earn a matriculation certificate upon completion of the programSTG 7: Humanitarian migrants learn vocational skills that aid their employment in Israel.

Evidence: I.1.a., I.1.c., I.1.d., I.1.e.

2.3 Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?

Answer: Yes | Question Weight: 16%

Explanation: The grant agreement includes the long and short-term goals listed in question 2 and initial indicators to measure performance. This is a direct link between the program goals and grantee commitment to those goals. The grant agreement requires the grantee to report on the goals and indicators so that the Bureau can measure performance. Indicators are to be finalized by the end of the 2003 grant year. The program manager should be commended for efforts to get grantee agreement on program planning.

Evidence: I.1.a., I.1.b., I.1.c., I.1.d., I.1.e.

2.4 Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?

Answer: N/A | Question Weight: 0%

Explanation: There are no similar government or private programs.

Evidence:

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	
100%	67%	89%	56%	Moderately Effective

2.5 **Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?** Answer: No Question Weight: 16%

Explanation: The State Department's IG released a comprehensive report in 1995 which highlighted management issues and made recommendations for improvement. PRM instituted a number of management changes in response to these recommendations. There have been no evaluations since 1995.

Evidence: II.5.a. U.S. Department of State, Office of Inspector General, Report of Audit: Refugee Assistance: Grant Agreement Between the U.S. Government and the United Israel Appeal, Inc. (February 1995)II.5.b. Interim Report: Status of Compliance with the OIG Audit of the Grant to the United Israel Appeal (July 1996)

2.6 **Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?** Answer: No Question Weight: 16%

Explanation: The program budget does not tie goals to resource needs. In addition, even if costs per goal were known, it is not likely that a budget request would be aligned with the goals, given Congressional interest in this program.

Evidence: I.1.a., I.1.b., I.1.c., I.1.d., I.1.e., I.1.h.

2.7 **Has the program taken meaningful steps to address its strategic planning deficiencies?** Answer: Yes Question Weight: 16%

Explanation: PRM has taken many steps to institute strategic planning and management improvements, including establishing a per capita cost factor for programs A-1, A-2, and A-3, abolishing the shipment of personal effects, setting time limits on provision of housing and training, and refocusing training towards less-advantaged migrants. Over the past two years PRM has worked with UIA to set performance measurements for each facet of the program and now includes these requirements in the grant. PRM instituted and conducts regular monitoring visits to UIA offices and programs in sending countries as well as in Israel.

Evidence: I.1.a., I.1.b., I.1.c., I.1.d., I.1.e.II.7.a United Israel Appeal Proposal for 2002 II.7.b. Federal Assistance Award to UIA for 2002II.7.c. Policy and Program Review Committee: FY2003 Regional Policy Paper and Implementation Plan for the Grant to the United Israel Appeal

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: Yes Question Weight: 11%

Explanation: Including performance information in the grant agreement is relatively new and there has not yet been time to manage to the data gathered. In future years, the Bureau expects to use this information to make decisions regarding resource allocation among the six programs funded by the U.S. grant.

Evidence: I.1.a., I.1.b., I.1.c., I.1.d., I.1.e.

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	67%	89%	56%	

3.2 Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?

Answer: Yes Question Weight: 11%

Explanation: Program managers at the State Department are rated on their ability to seek results from partners. The Bureau has worked closely with the United Israel Appeal to institute financial and accounting reforms to the grant and formulate performance measures in the grant agreement. There would be a negative impact (less funding) on the UIA for poor performance or high costs. In addition, the program partner evaluates its staff based on their efforts to achieve goals.

Evidence: I.1.a., I.1.b., I.1.c., I.1.d., I.1.h., III.2.a. Job Elements, III.2.b. Supervisory Foreign Affairs Officer Paper

3.3 Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?

Answer: Yes Question Weight: 11%

Explanation: Funds are obligated soon after the appropriations bill is enacted. The United Israel Appeal submits twice-yearly reports on the U.S. grant and also has a compliance audit conducted yearly. These documents show that funds are being spent for the intended purpose.

Evidence: I.1.b., I.1.d.

3.4 Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: No Question Weight: 11%

Explanation: The program does not have incentives or procedures in place to measure and achieve efficiencies. The grant agreement does include caps on per capita spending for certain programs, but there are no performance measures or targets to improve and lower per capita spending.

Evidence: I.1.a., I.1.b.

3.5 Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?

Answer: Yes Question Weight: 11%

Explanation: The Department of State FTE costs are included in overall administrative expenses for the bureau; they are not specific to this program. The grant agreement with the United Israel Appeal allows for the grant to support "limited administrative costs" of the Jewish Agency for Israel (JAFI). UIA financial reports confirm that the full amount of the grant is passed directly to JAFI for expenses of the program. UIA does not take any funds for administrative costs nor does JAFI in Israel. Salaries of JAFI overseas staff and direct program operators are billed to the grant according to a formula which takes into consideration a fair share of their work hours. This formula is included in the grant agreement. The grant agreement also identifies funding levels for each of the six programs.

Evidence: I.1.a., I.1.b.

Program:	Humanitarian Migrants to Israel
Agency:	Department of State
Bureau:	Bureau of Population, Refugees, and Migration
Type(s):	Block/Formula Grant

Section Scores 1	2	3	4	Overall Rating
100%	67%	89%	56%	Moderately Effective

3.6 Does the program use strong financial management practices? Answer: Yes Question Weight: 11%

Explanation: UIA utilizes an independent auditor to establish appropriate costs for the A-4 and A-5 components of this program. UIA also conducts an independent audit of the US grant on an annual basis. PRM's Comptroller reviews UIA's quarterly Federal Cash Transaction reports, biannual grant reports, and OMB Circular A-133 audit reports to ensure compliance with the terms of the agreement.

Evidence: III.6.a. Federal Cash Transaction Reports from UIA (SF 272)III.6.b. UIA Audit Report June 30, 2002 (OMB Circular A-133)I.1.a., I.1.b., I.1.d., I.1.e.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: Yes Question Weight: 11%

Explanation: PRM has taken many steps to institute strategic planning and management improvements, including establishing a per capita cost factor for programs A-1, A-2, and A-3, abolishing the shipment of personal effects, setting time limits on provision of housing and training, and refocusing training towards less-advantaged migrants. Over the past two years PRM has worked with UIA to set performance measurements for each facet of the program and now includes these requirements in the grant. PRM instituted and conducts regular monitoring visits to UIA offices and programs in sending countries as well as in Israel.

Evidence: I.1.a., I.1.b., I.1.c., I.1.d., I.1.e.II.5.a., II.5.b.

3.B1 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: Yes Question Weight: 11%

Explanation: The grant agreement requires two general reports and a number of program-specific reports. These reports provide information as to how U.S. funds are being spent and how quickly. The reports also provide data on how well the programs are working (vs. the baseline established in the grant agreement). Grant-specific site visits are conducted once a year, however, the Refugee Coordinator in Amman and other Bureau staff also conduct site visits when time permits or travel brings them to the region.

Evidence: I.1.b., I.1.d., I.1.e.II.7.b., II.7.c.

3.B2 Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner? Answer: Yes Question Weight: 11%

Explanation: The Department of State collects performance data from the United Israel Appeals bi-annual reports and monitoring visits. UIA reports are posted on the PRM public access web site.

Evidence: III.9.a. State Department/PRM web site (www.state.gov/g/prm)

4.1 Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)? Answer: Large Extent Question Weight: 34%

Explanation: The second long-term goal is a follow-on to a previous long-term goal; that is, the previous long-term goal has been achieved and replaced with this goal. Therefore, credit has been given for achievement of that goal, as well as achievement of the first goal below. However, since annual indicators for both goals reveal little baseline information, full credit is not being given.

Evidence: I.1.b, I.1.h

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	67%	89%	56%	

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: Large Extent Question Weight: 33%

Explanation: Goals have now been set for each of the six program areas and UIA is progressing towards finalization of indicators for each of the short-term goals. However, no data is available at this time to measure progress. The program is given credit for establishing these goals, as one of the previous goals was to establish measurable goals.

Evidence:

4.3 **Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?** Answer: Small Extent Question Weight: 33%

Explanation: Bureau is developing a computer system (DRAMA) that will allow for better tracking and assessing its contributions to bureau partners including UIA.

Evidence: I.1.d., I.1.e.II.7.a., II.7.b., II.7.c.

4.4 **Does the performance of this program compare favorably to other programs with similar purpose and goals?** Answer: N/A Question Weight: 0%

Explanation: There are no similar government or private programs.

Evidence:

4.5 **Do independent and quality evaluations of this program indicate that the program is effective and achieving results?** Answer: N/A Question Weight: 0%

Explanation: The State Department's IG released a comprehensive report in 1995 which highlighted management issues and made recommendations for improvement. PRM instituted a number of management changes in response to these recommendations. There have been no evaluations since 1995.

Evidence: II.5.a., II.5.b., II.5.c.

PART Performance Measurements

Program: Humanitarian Migrants to Israel

Agency: Department of State

Bureau: Bureau of Population, Refugees, and Migration

Measure: Humanitarian migrants become self-sufficient members of Israeli society within two years of grant support. (Measured by migrants receiving all three services that assist in reaching this goal)

Additional Information: Target:Humanitarian migrants receive services in Israel, according to their need, that enable them to be independent of UIA support. Actual Progress achieved toward goal:Programs A-4, A-5, and A-7 (which have goals 4, 5, 6 and 7 below) provide services that contribute to this goal. UIA has set short-term goals for each of these programs and has already demonstrated program succes for its Hebrew language training program. Baseline being established by the end of FY2003.

Year	Target	Actual
2004	Under. Dev.	
2005	Under. Dev.	

Measure Term: Long-term

Measure: Provide courteous and timely transportation services.

Additional Information: Performance Targets: Performance indicators are being established by UIA and JAFI which will measure the degree to which program participants are satisfied with service delivery under A-2. UIA is using an outside consultant to design and execute a comprehensive survey to use with participants. The survey and indicators will be established by the end of the 2003 grant year. Actual Performance:No reporting is currently available; this information will be available at the end of FY 2004.

Year	Target	Actual
2004	Under Dev.	
2005	Under Dev.	

Measure Term: Annual

Measure: Enable Hebrew language participants to advance a full learning level. (Measured by percentage advancing a full grade level within 5 mos. for migrants from former Soviet Union and 10 mos. for migrants from Ethiopia)

Additional Information: Performance Target: 2003 grant indicators: 85% of language trainees from the Former Soviet Union advance a full grade level within the specified period (five months for immigrants from the former Soviet Union) and 65% of language trainees from Ethiopia advance a full grade level within the specified period (ten months for Ethiopian immigrants).2004 grant indicators: 85% of language trainees from the Former Soviet Union advance a full grade level within the specified period (five months for immigrants from the former Soviet Union) and 70% of language trainees from Ethiopia advance a full grade level within the specified period (ten months for Ethiopian immigrants).2005 grant indicators: 90% of language trainees from the Former Soviet Union advance a full grade level within the specified period (five months for immigrants from the former Soviet Union) and 75% of language trainees from Ethiopia advance a full grade level within the specified period (ten months for Ethiopian immigrants). Actual Performance:In FY 2002 94% of language trainees advanced a full grade level. Data has not, up to now, been compiled by area of immigration. Data will be collected differently in future years in order to measure progress.

Year	Target	Actual
2003	85%, 65%	
2004	85%, 70%	

Measure Term: Annual

PART Performance Measurements

Program: Humanitarian Migrants to Israel

Agency: Department of State

Bureau: Bureau of Population, Refugees, and Migration

Measure: Enable Hebrew language participants to advance a full learning level. (Measured by percentage advancing a full grade level within 5 mos. for migrants from former Soviet Union and 10 mos. for migrants from Ethiopia)

Additional Information: Performance Target: 2003 grant indicators: 85% of language trainees from the Former Soviet Union advance a full grade level within the specified period (five months for immigrants from the former Soviet Union) and 65% of language trainees from Ethiopia advance a full grade level within the specified period (ten months for Ethiopian immigrants).2004 grant indicators: 85% of language trainees from the Former Soviet Union advance a full grade level within the specified period (five months for immigrants from the former Soviet Union) and 70% of language trainees from Ethiopia advance a full grade level within the specified period (ten months for Ethiopian immigrants).2005 grant indicators: 90% of language trainees from the Former Soviet Union advance a full grade level within the specified period (five months for immigrants from the former Soviet Union) and 75% of language trainees from Ethiopia advance a full grade level within the specified period (ten months for Ethiopian immigrants). Actual Performance:In FY 2002 94% of language trainees advanced a full grade level. Data has not, up to now, been compiled by area of immigration. Data will be collected differently in future years in order to measure progress.

Year	Target	Actual
2005	90%, 75%	

Measure Term: Annual

OMB Program Assessment Rating Tool (PART)

Direct Federal Programs

Name of Program: Military Assistance to New NATO and NATO Aspirant Nations

Section I: Program Purpose & Design (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Is the program purpose clear?*	Yes	Program purpose is clear, to promote U.S. national security by promoting regional stability; strengthening democratic governments and thus, reducing conflict and the likelihood of war. Funds enable key allies and friends to improve legitimate defense capabilities.	Foreign Assistance Act of 1961 (as Amended),FY 2003 Budget Justification Materials, State Department Performance Plans.	20%	0.2
2	*Does the program address a specific interest, problem or need?*	Yes	Provides resources to meet highest priority gaps or deficiencies in recipient military and defense capabilities promoting effectiveness and professionalism of miiltary forces, rationalization, standardization and interoperability of the defense forces of the new NATO and aspirant countries with the U.S. Armed Forces, particularly enhancing the ability of partner forces to operate with NATO; and develop as strong candidates for NATO membership.	FY 2003 Budget Justification Materials and 2002 Congressional testimony of State Department's Assist. Secretary for European Affairs and that of the Commander in Chief US Forces Europe (EUCOM). These address specific US foregin policy interests and objectives.	20%	0.2
3	*Is the program designed to have a significant impact in addressing the interest, problem or need?*	Yes	The program funds projects, programs and activities in all three new NATO countries (Hungary, Poland, and the Czech Republic) as well as in the nations aspiring to NATO membership (Estonia, Latvia, Lithuania, Bulgaria, Romania, Slovakia, Slovenia, Macedonia, and Albania). This funding addresses weaknesses and gaps in the countries' defense capabilities that are identified and prioritized by NATO and USEUCOM.	FY 2003 Budget Justification Materials; Report to Congress on Partnership for Peace through July 15, 2002; Annual Report to Congress on US Assistance to and Cooperative Activities with Eurasia. For example, the newly operational NATO-compatible air sovereignty operations (ASOC), which have been procured by several aspirants and NATO members. Communications equipment for new NATO members and aspirants' armed forces.	20%	0.2

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?*	Yes	The program plays a key role in assisting participants with their military, security and defense reforms and is not duplicative of other Federal, state, local or private efforts. While US funding may displace some recipient country funding,US resources can be used to augment recipient country spending or actions. These programs also achieve US foreign or security policy goals. For example, International Military Education and Training ensures a cadre of English speaking personnel and officers familiar with western military doctrine, which facilitates inter-operability and peacekeeping missions.	FY 2003 Budget Justification Materials; GAO Report to Congress. "NATO United States' Assistance to the Partnership for Peace"; annual Congressional testimony of State and Defense Department officials.	20%	0.2
5	*Is the program optimally designed to address the interest, problem or need?*	Yes	The program's objective is to assist countries reform their militaries by funding programs to fill gaps in military capabilities defined by NATO and US military requirements. Programs proposed by Defense officials at the Embassy level [often the security assistance officer (SAO), who commands the Office of Defense Cooperation , or ODC and/or DAO in the Embassy] are coordinated with political objectives at the Embassy, State Bureau and Departmental levels as well as the Presidential (NSC staff and OMB) level.	The ability of the US to call upon the new NATO and NATO aspirant nations and obtain military units and other support for Operation Enduring Freedom and peacekeeping operations in the Balkans helps confirm the soundness of the program's design.	20%	0.2
	Total Section Score				**100%**	**100%**

Section II: Strategic Planning (Yes,No, N/A)

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score

1	*Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?*	Yes.	The program's key long-term goals are identified for each recipient country and include military reform (force modernization), building a recipient's military, defense and security capabilities in specific areas. These are areas where long-term performance can be measured not by inputs such as the numbers of items procured and the equipment acquired to support specific units. U.S. Foreign Military Financing (FMF) and IMET funding assistance is allocated to those countries and performance goals of highest priority consistent with our foreign policy interests. FMF/IMET funding levels annually build on prior year activities and efforts to ensure continual progress toward outcome goals for each country.	Examples of country-specific, long-term outcome goals include: (1) English language proficiency; (2) equipment interoperability (i.e., communication equipment); (3) improvement of infrastructure (e.g., Bulgaria airfield upgraded to better accommodate receipt of NATO aircraft). SEEBRIG and BALTBRIG. Country forces and capabilities for these are presented in the MAP for each aspirant country; the MAP identifies the capabilities the country lacks that are most important for NATO and USEUCOM. See President's Report to Congress on NATO Expansion, July, 2002.	14%	
2	*Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?*	YES	Discrete, quantifiable, and measurable performance goals for each country are established in US Embassies' annual Mission Performance Plans, NATO Membership Action Plans, and in consultations between U.S. and individual aspirant countries through NATO.	These specific goals include, for example, the number of personnel trained;and the numbers and types of equipment to be acquired for support of specific units needed to develop an identified capability, or performance goal.U.S. FMF/IMET funding is allocated to those countries and performance goals of highest priority consistent with our foreign policy interests. FMF/IMET needs to annually build on prior year activities and efforts to ensure continual progress toward long-term goals for each country. For example, the FY 2003 budget for Bulgaria will provide training and special equipment for special operations forces; this is critical to facilitate communication with US and NATO units during missions and exercises.	14%	0.1

3	*Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?*	NO	The State Department process for developing the FMF and IMET annual country program plans to meet shared long-term goals is the following: The Office of Defense Cooperation (ODC) works with the host nation MOD/armed forces to determine goals and objectives, to develop the Five Year Defense Plan and aspirant MAPs. Planning is directly related to PfP goals: strenthening cooperation between NTO and PfP countries; enhancing interoperability; facilitating compatibility with NATO practices. In parallel, ODC works with the US Embassy team to develop and establish security assistance data for the annual Mission Performance Plan including recommendations for FMF/IMET resources and objectives.This input is integrated into the interagency decision making process to address competing priorities and broader FMF objectives.The Defense Department has a separate process to look at solely military goals, which is not scheduled to coincide with and input to the State Department's process.	Not all partner countries adequately support the planning for improving capabilities and increasing support to NATO. Because State and Defense have separate processes for determining and prioritizing the needs of recipient nations, at times ad hoc coordination between the two processes is necessary to harmonize varying views.	14%	
4	*Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?*	YES	State coordinates security assistance programs with program managers, SAOs, country desks at the country level with programs such as border security, justice, and democracy building in the aspirant countries. Programs also include Joint Combined Exercise and Training (JCET), DoD funded Warsaw Initiative Exercises.		14%	0.1
5	*Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?*	NO	This has been delegated to DOD as the implementing agency. The FMF program and processes are evaluated and reported annually to Congress. While there are no regular, independent evaluations due to the lack of funding for this specific purpose, OSD and EUCOM conduct comprehensive defense assessments based on an "as needed basis." Programs are modified as necessary based on emergent requirements, e.g. Sept. 11.	Congressional Reports on Assistance; Foreign Military Financing; Annual Report to Congress on US Assistance to and Cooperative Activities with Eurasia. No independent review of use of the material provided is regularly accomplished.	14%	

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
6	*Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?*	YES	DOD has incorporated itemized budgets in the planning process, and budgets reflect priorities of the US interagency as well as the recipient. The MAP, PARP, TEP and the ODCs Five Year Defense Plans are fed into the FMF/IMET budget formulation and submission web tool (developed by DSCA in conjunction with State-PM to support the military assistance budget process) and used to identify and prioritize goals and objectives. Note: the FMF/IMET web tool contains information on national security priorities of individual countries and, therefore, is not publicly available. Yes, annual performance goals are set before budgets are developed.	NATO Membership Action Plan (MAP), Planning and Review Process (PARP), Theater Engagement Plan (TEP), Five Year Plans, Mission Performance Plan (MPP); Bureau Performance Plan (BPP); Congressional Budget Justification; Testimony etc.	14%	0.1
7	*Has the program taken meaningful steps to address its strategic planning deficiencies?*	YES	In FY02 , the State Department, in conjunction with the Department of Defense, established a web tool/database that allows the USG to identify goals and objectives in priority order as well as reflect performance indicators and progress. In future years, the web tool will also be used to report results against the prior years' goals and objectives. The web tool requires ODCs to list specific objectives and justify each. Programs and schedules will be adjusted or extended as necessary to reflect actual funding and attainment of annual performance goals.	The tool's web site includes a document addressing web tool development. The web tool is instrumental in enabling programs and time lines to be adjusted/extended as necessary to reflect actual funding/performance. Political pressure is being used to get countries to comply with obligations and commitments.	14%	0.1
	Total Section Score				**100%**	**57%**

Section III: Program Management (Yes,No, N/A)

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score

1	*Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?*	YES	Annually, program contracts are monitored and managed by the ODCs, EUCOM, DSCA. Formal annual reporting and review occurs through a variety of mechanisms, including Training Program and Management Review, Mission Program Plan (MPP), Theater Engagement Plan (TEP) and the annual budget. The web tool will require Embassies to report performance results against each years' objectives. 2002 is the first year for which these results will be reported, so use of this information in future years planning has not yet been documented.	MPPs, BPPs, annual budget justifications. In addition, the web tool allows the ODCs to report performance results against each years' FMF and IMET objectives. 2002 is the first year for which these results will be reported. IMET program is reivewed annually , mid-fiscal year to review goals of current fiscal year IMET and establish priorities for upcoming fiscal year.	14%	0.1
2	*Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?*	YES	NATO aspirants and new NATO members are to meet specific NATO and MAP goal objectives within timelines associated with NATO enlargement and NATO coalition operations. FMF assistance is targeted at specific equipment/ training needs consistent with US foreign policy objectives.	Annual MPP and BPP reviews in the State Department. OMB examiner reviews of program budget requests; examiner trip to EUCOM and Hungary. The USG program managers also participate in annual management reviews with host nations at the acquisition level. As U.S. acquistion community is acquiring special equipment, it is held accountable by Defense Federal Acquisition Regulation to ensure that cost, schedule and performance goals for the acquisition program are met.	14%	0.1
3	*Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?*	YES	FMF funds are obligated upon apportionment allowing for immediate implementation of programs or are obligated and expended (IMET) in the fiscal year appropriated. Once obligated, scheduling difficulties may be encountered committing the funds given country-by-country differences in budgeting cycles and the inability to guarantee specific funding in subsequent years. In certain instances, countries will carry over previous year FMF funds and combine them with current year FMF funds in order to procure more expensive projects, i.e. Poland for its frigate and helicopter program.	Financial performance is reported quarterly on the SF-133 report. State, Defense, and OMB staffs review results during the budge process. OMB staff also review results through field trips.	14%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?*	No	Primary incentive is political as FMF plays a significant role in bilateral military and security relationships; However, procedures used are consistent with Federal Acquisition Regulations and other contracting processes and procedures required to ensure efficient and effective use of funds.	Military services are obliged by Defense Federal Acquistion regulation to ensure that weapon system acquisitions are made by the most economic and efficient means possible. IMET is made as economic as possible by using U.S. military and DoD schools to train personnel of recipient countries.	14%	0.0
5	*Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?*	YES	Estimates and budgets developed include the full annual costs for operating the program, however, as events occur in the execution year, it is often difficult to anticipate budget/funding needs. As funding levels increase or decrease (as witnessed this past year - shifted), performance expectations likewise will increase or decrease accordingly.	There is a specific line within the FMF/IMET budget for general administrative costs and expenses.	14%	0.1
6	*Does the program use strong financial management practices?*	YES	FMF and IMET programs are implemented and subsequently managed by DOD, which follow specific administrative financial guidelines in acquisition of articles or services in accordance with Defense Federal Acquistion Regulation.	Federal Acquistion Regualation (FAR); Defense Security Cooperation Agency (DSCA) Reports; Letters of Agreement (LOAs).	14%	0.1
7	*Has the program taken meaningful steps to address its management deficiencies?*	YES	Database reviews, yearly Security Assistance Conferences held at the CINC headquarters and bilateral working groups with host nations help identify those areas that require improvement. Strategic use of the Web based budget too surfaced during a review.	Input from posts can now be placed on the Security Assistance Office (SAO) tool found on the web. EUCOM Security and Defense Cooperation and Armament Conferences address management improvement. Bilateral working groups, tri-service and program management reviews (during execution phase) also review management practices and implement changes as identified.	14%	0.1

Total Section Score	**100%**	**86%**

Section IV: Program Results (Yes, Large Extent, Small Extent, No)

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score

1	*Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?*	Large Extent	FMF reflects adequate progress in achieiving long-term goals, although this is a dynamic not static process/program which is not easily measured. Progress is assessed in reviews for budget development in DOS Strategic Plan, MPPs, BPPs or Senior Review documentation.	Presence of new NATO and aspirants in operations in the Balkans and Afghanistan; intelligence and logistical cooperation with those operations and the GWOT. Annual testimony of the CINCEUR. Annual Report to Congress on US Assistance to and Cooperative Activities with Eurasia.	25%	0.2

Long-Term Goal I:	To strengthen the defense capabilities, meet common identified security needs and promote defense cooperation with new NATO and NATO aspirant countries.
Target:	To have countries budget 2% of their GDP for defense. Facilitate interoperability with NATO.
Actual Progress achieved toward goal:	Only Bulgaria, Poland, Romania, and the Czech Republic currently meet this goal. Others have plans in place to achieve them by a date certain in the future. Only one has not developed such a plan. Selected units within new NATO members and aspirants' militaries are communicating with each other on compatible radios.
Long-Term Goal II:	To improve key capabilities of friendly countries to contribute to international crisis response operations, including peacekeeping and humanitarian crises.
Target:	To develop military forces that can operate with NATO in peacekeeping operations. Development based on individual country goals to
Actual Progress achieved toward goal:	Numerous countries' participation in OEF, ISAF, SFOR, and KFOR; in Afghanistan and in the Arabian Gulf. Among others, the Baltic countries, Bulgaria, and Romania have contributed forces to the Balkans and /or Central Asia/Caucasus; Czech medical unit in OEF.
Long-Term Goal III:	To reform militaries by downsizing and modernizing military force structures, by incorporating transparency in national defense planning and budgeting processes and setting in place mechanisms for democratic control of defense forces.
Target:	To assist new NATO and aspirant countries to implement a Planning, Program, and Budgeting System (PPBS) that can support their militaries .
Actual Progress achieved toward goal:	Most new NATO and aspirants have a PPBS system in place or are designing one for implementation in the next two years. Only Slovenia is planning for a PPBS system delayed (probably because of the size of the armed forces.) It will take time to fully develop PPBS and master in order to plan and manage in the most effective and efficient way.

2	*Does the program (including program partners) achieve its annual performance goals?*	Large Extent	U.S. defense articles and services are provided annually to assist recepients with their military reforms. The annual goals (eg., equipment deliveries and IMET programs) contribute to achieving the long-term goals.	Annual Report to Congress on US Assistance to and Cooperative Activities with Eurasia. Annual testimony of the CINCEUR. MPP development and review. Air Soereignty Operations Center (ASOC) in Baltics now allows sustained performance goald of maintianing air surveillance capability over the Baltic region.	25%	0.2

Key Goal I:	Improve selected military capabilities as outlined in the NATO and Embassy country plans.
Performance Target:	Countries budget and expend at least 2% of their GNP on defense.
Actual Performance:	Four countries have achieved this goal.
Key Goal II:	Modernize force structure and military capabilities within a country's ability to sustain.

	Performance Target: Military reform plan approved by the Executive and budgeted.					
	Actual Performance: Six out of the ten new Nato and aspirants have a military reform plan in development or being implemented.					
	Key Goal III:		Contributions to US-supported operations.			
	Performance Target:		Obtain at least logistical and intell support from all nations.			
	Actual Performance:					
3	*Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?*	YES	Efficiencies and cost effectiveness can be seen in progression made by aspirants in interoperability and standardization with NATO forces. This is evidenced by partner countries participating effectively in NATO-led peace operations in the Balkans.	GAO Report to Congress. "NATO United States' Assistance to the Partnership for Peace"(July 2001). Other examples include OEF participation.	25%	0.3
4	*Does the performance of this program compare favorably to other programs with similar purpose and goals?*	N/A	There are no other programs like this to compare to.	Annual Report to Congress on US Assistance to and Cooperative Activities with Eurasia;		
5	*Do independent and quality evaluations of this program indicate that the program is effective and achieving results?*	Large Extent	GAO review concludes that PfP programs have enhanced the capabilities of partner countries and have improved their ability to operate with NATO, thus making them better candidates for membership in the alliance.	GAO Report to Congress. "NATO United States' Assistance to the Partnership for Peace" . However, such evaluations are not performed on a regular basis.	25%	0.2
Total Section Score					**100%**	**75%**

Program Assessment Rating Tool (PART)

Program: Nonproliferation and Disarmament Fund
Agency: Department of State
Bureau: Bureau of Nonproliferation
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	100%	80%	

1.1 **Is the program purpose clear?** Answer: YES Question Weight: 20%

Explanation: The Nonproliferation and Disarmament Fund (NDF) has broad authority to work against proliferation worldwide and respond quickly and effectively to unanticipated or unusually difficult nonproliferation requirements and opportunities by funding and executing specific projects.

Evidence: Section 504(a) of the FREEDOM Support Act of 1992; NADR; Chapter 9 of the Foreign Assistance Act; the NDF Guidelines; and numerous NDF projects completed and underway.

1.2 **Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight: 20%

Explanation: The NDF Program addresses the ongoing worldwide problem of the proliferation of weapons of mass destruction (WMD) through the development and execution of carefully selected projects to: 1) halt the proliferation of nuclear, radiological, biological and chemical weapons; 2) destroy or neutralize existing weapons of mass destruction, their delivery systems, related sensitive materials, and conventional weapons; 3) limit the spread of advanced conventional weapons, their delivery systems, and related technologies; and 4) track, control and secure dangerous materials, including fissile material, radiological material, biological pathogens, and chemical agents.

Evidence: Presidential statements, WMD goal from State's Strategic Plan, Section 504 (a) of the FREEDOM Support Act of 1992, Chapter 9 of the Foreign Assistance Act, the NDF Guidelines, intelligence related to the existence of known WMD programs in rogue states.

1.3 **Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight: 20%

Explanation: The NDF is specifically designed to support U.S. diplomatic efforts to secure, remove, and destroy weapons of mass destruction, their delivery systems and advanced conventional weapons. Its focus is on unanticipated or unusually difficult projects that need to be done on an urgent basis but for which no diplomatic agreement exists between the concerned governments to undertake the project. The NDF accepts only proposals determined not to be redundant of other efforts and every NDF proposal is reviewed with this in mind by interagency representatives at the Assistant Secretary level. All decisions on whether to approve the use of NDF funds are made by the Under Secretary for International Security Affairs.

Evidence: Decision Memoranda establishing the NDF; Section 504 (a) of the FREEDOM Support Act of 1992, Congressional report language, NDF Congressional Budget Presentation, NDF Guidelines, specific NDF proposal and project documentation, and NP decision memoranda and congressional notification documents.

Program Assessment Rating Tool (PART)

Program: Nonproliferation and Disarmament Fund
Agency: Department of State
Bureau: Bureau of Nonproliferation
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	100%	80%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

Answer: YES Question Weight: 20%

Explanation: The NDF Program design is clear, simple, and effective. Unanticipated and unusually difficult problems and the subsequent expenditure of U.S. financial and personnel resources on high-risk projects with little notice require a rigorous and high-level review of proposed projects. Both the NDF Review Panel and the decision-making Under Secretary have been rigorous in their programmatic review and have disapproved a significant percentage of the proposals brought before them. The NDF has oversight and management responsibility for all of its funds, including programmatic execution. NDF operates worldwide and its funds are made available until expended notwithstanding any other provision of law.

Evidence: Decision Memoranda establishing the NDF; 504 (a) of the FREEDOM Support Act; 515 of the Foreign Operations, Export Financing and Related Programs Appropriations Act under the heading Nonproliferation, Anti-terrorism, Demining and Related Programs; NDF Review Panel meeting decision memoranda, the percentage of proposals disapproved by the Under Secretary, OIG reports, bureau review and the percentage of completed projects executed successfully.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES Question Weight: 20%

Explanation: Each NDF project proposal must directly support section 504 (a) of the FREEDOM Support Act of 1992, the NDF Guidelines, the Congressional Budget Presentation language, and the purpose described in the above explanation for section 1.1. The Under Secretary and the NDF Review Panel (Assistant Secretary level) determine that all proposals directly support the NDF Program's purpose. Each approved project must have a sharp focus with concrete and measurable outcomes e.g., missiles destroyed, HEU removed or secured, etc. The limitation of project scope to concrete outcomes ensures that project resources can be targeted on specific work requirements and permits the NDF to assign a project manager with full authority to execute the project on behalf of the USG.

Evidence: NDF Review Panel meeting decision memoranda; NDF decision summaries; NDF project proposals; Interagency Acquisition Agreements (IAA); contracts; NDF project files; the NDF Annual Report; NDF financial reports and spreadsheets; reporting cables; and Congressional notification documents.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: NO Question Weight: 12%

Explanation: Long-term measures are under development. The contingency nature of the NDF program limits the ability of the Department to set long-term targets for nonproliferation and disarmament because uses of the fund are evaluated in an annual process to ensure that only the highest priority projects receive funding. The draft measure included in this presentation addressses the ability of the NDF to respond to these high priority needs without setting targets for eliminating nonproliferation and disarmament threats that cannot be determined in advance of each fiscal year.

Evidence:

2.2 Does the program have ambitious targets and timeframes for its long-term measures?

Answer: NO Question Weight: 12%

Explanation: Measures under development

Evidence:

Program: Nonproliferation and Disarmament Fund
Agency: Department of State
Bureau: Bureau of Nonproliferation
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	100%	80%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?**

Answer: YES — Question Weight: 12%

Explanation: Each NDF project, while not on an annual schedule, has specific performance measures that are clearly set forth in the Under Secretary's decision summary. Thus, throughout the year, specific projects are undertaken with specific short-term performance measures that clearly support the long-term goals of the NDF e.g., missile destruction, securing/destroying chemical agents, etc.

Evidence: NDF Decision Memoranda, NDF Guidelines, specific NDF project files, NDF's CPD, NP BPP and the State's Strategic Plan.

2.4 **Does the program have baselines and ambitious targets for its annual measures?**

Answer: YES — Question Weight: 12%

Explanation: The NDF seeks to complete successfully and within budget 100% of those projects assigned to the NDF each year by the decision- making Under Secretary. Annual progress is tracked within the context of each project, each of which has clear objectives set forth in the decision summary.

Evidence: NDF's Project Management and Financial Database System, the NDF Annual Report, other NDF reporting documents, NP BPP, and State's Strategic Plan.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: YES — Question Weight: 12%

Explanation: Each NDF project manager works closely with contractors, USG agencies, and foreign governments to ensure that all commit to and work toward the specific goals of each project. NDF partners have historically been dedicated to the successful outcome of NDF projects.

Evidence: NDF contracts; Interagency Acquisition Agreements; agreements and memoranda of understanding with foreign government; project files; reporting cables; progress reports; interviews with contractors and foreign governments; Federal Acquisition Regulations; NDF oversight and verification procedures.

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES — Question Weight: 12%

Explanation: The results of all NDF projects are verified often by DOE, the VC bureau, U.S. Embassies abroad, and foreign governments, and, where appropriate, by NDF or NP personnel. NDF projects are also subject to regular in-house evaluations. The NDF program is periodically inspected and audited by State's OIG and has, in the past, been subject to review by the bureau. All past inspections, audits and reviews have been favorable and useful to NDF management. A new round of audits will begin in the fall of 2003 and the OIG is scheduled to inspect the NDF again in 2004.

Evidence: OIG inspection and audit reports; in-house evaluations; specific NDF project files; Embassy cables, newspaper reports; video footage; eyewitness accounts; and NDF verification procedures.

Program: Nonproliferation and Disarmament Fund
Agency: Department of State
Bureau: Bureau of Nonproliferation
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	100%	80%	

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?

Answer: NO Question Weight: 12%

Explanation: NDF budget requests are based upon the perception of threat to U.S. national interests and diplomatic opportunities that would lend themselves to the use of the NDF Program. Success by the NDF in meeting past challenges destroying missiles, securing/removing highly enriched uranium (HEU), developing automated tracking systems for use by foreign governments, and eliminating chemical agents in a timely and cost-effective manner provides a critical element in justifying funding for the NDF. Long-term goals for this program are not yet developed thus the budget request is not yet tied to acheivement of such goals.

Evidence: NDF Congressional Budget Presentation; NP BPP; and State's Strategic Plan.

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies?

Answer: YES Question Weight: 12%

Explanation: The NDF Program requires periodic refocusing as the political and diplomatic environment changes. Following the events of September 11, 2001, the NDF began to focus not only on unanticipated opportunities but also on the need to drive new policy initiatives to secure dangerous materials and to expand its reach into the Middle East and South Asia.

Evidence: Congressional Budget Presentation for FY 2004; Dangerous Materials Initiative (DMI) background papers; NP BPP documentation for FY 04 and FY 05; proposals under development; and State's Strategic Plan.

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?

Answer: YES Question Weight: 14%

Explanation: The NDF collects real-time information on ongoing projects through its Project and Financial Management System that supports program and project management. NDF tightly monitors ongoing projects, often using on-site NDF staff to provide day-to-day supervision of contractors, and verifies that work is being performed consistent with the approved project performance goals. This information enables NDF to target finite resources efficiently (e.g., if a project is suspended due to weather, tight monitoring enables NDF to reassign oversight staff resources to other projects).

Evidence: NDF project files; NDF Project and Financial Management System; NDF and Trackernet networks; and MOU progress reports.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?

Answer: YES Question Weight: 14%

Explanation: The NDF does not have legal authority to expend funds for any projects beyond those approved by the Under Secretary. Any cost overrun would require a new NDF proposal, a review of the proposal by the NDF Review Panel, approval of the proposal by the Under Secretary, and notification of the approved proposal to Congress. All program partners are held accountable through contracts, agreements, MOU's, or other legal documents. All NDF project managers are held accountable by NDF management.

Evidence: Contracts; MOU's; specific NDF project files; OIG inspection and audit results; NDF decision summaries; and Congressional documents.

Program: Nonproliferation and Disarmament Fund
Agency: Department of State
Bureau: Bureau of Nonproliferation
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	100%	80%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?
Answer: YES Question Weight: 14%

Explanation: Funds are obligated promptly to meet specific implementation requirements within each NDF project. After a project has been approved and has been before the Congress for 15 days without congressional objection, and as soon as the necessary implementation contracts and/or other documents have been put in place, the NDF begins a series of obligations to cover project costs. Funds are spent only to support the approved objectives of the project.

Evidence: NDF's Project and Financial Management System; State's Consolidated Financial Management System; NDF project files; and Interagency Acquisition Agreements and other forms of fund transfers.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?
Answer: YES Question Weight: 14%

Explanation: The NDF is an innovator in the use of new technologies to implement projects abroad. It has its own network that permits the NDFproject managers in the field (often hundreds of miles from the U.S. Embassy) to communicate directly with the NDF home office to ensure that projects are efficiently executed. It has built its own Project and Financial Management System, uses video and still cameras to monitor and verify project performance, and operates websites to support countries and contractors who work with the NDF. The NDF also has a NDF Procedures Manual that is used to guide the work of NDF staff, particularly new or junior members of the staff.

Evidence: NDF Procedures Manual; NDF and Trackernet networks; NDF Project and Financial Management System; NDF and Trackernet websites; NDF video systems; and specific NDF project files.

3.5 Does the program collaborate and coordinate effectively with related programs?
Answer: YES Question Weight: 14%

Explanation: The NDF is specifically designed to support U.S. diplomatic efforts to secure, remove, and destroy weapons of mass destruction, their delivery systems and advanced conventional weapons. Its focus is on unanticipated or unusually difficult projects that need to be done on an urgent basis but where no diplomatic agreement exists between the concerned governments to undertake the project. The NDF accepts only proposals determined not to be redundant of other efforts and every NDF proposal is reviewed with this in mind by an interagency review panel at the Assistant Secretary level. All decisions on whether to approve the use of NDF funds are made by the Under Secretary for International Security Affairs. To be effective, the NDF often partners with other USG programs to get necessary work done. Examples of this coordination include: removing HEU from Kazakhstan where State, Defense, and Energy all played critical roles, nuclear portal monitors in the FSU where the NDF has worked with DOE's Second Line of Defense Program and State's EXBIS program, and the shutdown of plutonium producing reactors in the FSU.

Evidence: Decision Memoranda establishing the NDF; Section 504 (a) of the FREEDOM Support Act of 1992; NADR; Congressional report language; NDF Congressional Budget Presentation; NDF Guidelines, NDF Review Panel memoranda; and newspaper articles.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 14%

Explanation: The NDF has a long history and established reputation of taking financial management seriously. As part the NDF's establishment, NDF management sought Under Secretary level approval for its Fund Control Process, assigned a high priority to the development of a Project and Financial Management System to support program management, and decided to initiate periodically requests for audits and evaluations. NDF funds are not obligated absent approval of the project by the decision-making Under Secretary, Congressional notification, and a signed contract or other documents that fully justify expenditure of NDF funds. The State Department has deployed a new effective financial management system, compliant with federal system requirments.

Evidence: NDF decision summaries; NDF establishment memoranda; NDF Fund Control Process; NDF Procedures Manual; NDF Project and Financial Management System; Federal Acquisition Regulations; OIG inspections and audits; and State's Consolidated Financial Management System.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 14%

Explanation: The NDF is always taking steps to improve its management of project and financial resources. During past OIG inspections and audits, NDF staff moved quickly to resolve any and all problems identified. For example, during an audit on the NDF Project and Financial Management System, a software engineer was assigned to work with the assigned auditor on a full time basis to ensure that changes were made quickly. Likewise, problems with specific projects are identified early and decisions on solutions are made almost immediately.

Evidence: NDF decision summaries; NDF Project and Financial Management System; NDF Procedures Manual; OIG inspection and audit results; NDF reports and spreadsheets; and NDF in-house evaluation of projects.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: NO Question Weight: 20%

Explanation: The NDF has documented successes in achieving it's nonproliferation goals but as a fund for which annual requirements are determined only after funds are appropriated, development of long-term goals has provided difficult. A draft long-term measure is included in the PART reflecting the overall management goal of the program that is to achieve and maintain a capability respond as needed often unanticipated nonproliferation and disarmament priorities. The program has a long list of accomplishments including elimination of all SCUD and SS-23 missiles in Central Europe; removed Highly Enriched Uranium (HEU) from Serbia; assisted in the removal of HEU from Kazakhstan and Georgia; destroyed the Category I missile infrastructure in South Africa; and deployed nuclear detection equipment throughout the FSU, Central Europe, and Turkey.

Evidence: Specific NDF project files; newspaper articles; reporting cables; the NDF Annual Report; NDF oversight and verification procedures; contracts; statements of work; agreements or MOU's with foreign governments and other USG agencies; review of contracts by the State's Office of Acquisition contracting officer; and NDF project manager's oversight of each NDF project and associated contract.

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: YES Question Weight: 20%

Explanation: The NDF Program achieves its short-term performance goals by executing successfully and within budget those projects assigned to it by the Under Secretary during the course of a fiscal year. The establishment of timetables for the execution of the NDF projects approved each fiscal year would in most cases be inappropriate and, in some cases, be contrary to the interests of the USG.

Evidence: Specific NDF project files; the NDF Project and Financial Management System; State's Consolidated Financial Management System; the NDF Annual Report; Interagency Acquisition Agreements and associated progress reports; completion of contracts; and Federal Acquisition Regulations.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: YES Question Weight: 20%

Explanation: Efficiencies within the program continually increase as a result of extensive experience gained over the course of close to a decade. Today, the NDF undertakes projects of far greater complexity than it could in the past. For example, missile destruction projects now include hard-to -eliminate solid rocket motor systems, HEU can be removed quickly and quietly, complex and technologically challenging software is being built faster, and long-term project management is now part of the NDF skill set. These increased efficiencies are illustrated by the technological and diplomatic sophistication of the long-term Tracker program, the size and complexity of missile destruction projects, and the successful removal of HEU from Yugoslavia in August, 2002.

Evidence: NDF Review Panel Procedures; NDF project files; contracts; NDF Project and Financial Management System; State's Consolidated Financial Management Database; NDF proposal submission process; and the NDF Procedures Manual.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: YES Question Weight: 20%

Explanation: The NDF Program is effective in meeting its long-term and short-term performance goals and thus compares favorably with other related USG nonproliferation programs. Historically, it has proven able to execute projects more quickly, more cost-effectively, and more quietly than larger programs or international organizations.

Evidence: Efforts by members of Congress to add funding to the NDF that exceeds the Administration's budget request; congressional report language; OIG reports; Congressional testimony; specific project files; and the percentage of projects completed successfully.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: YES Question Weight: 20%

Explanation: Independent evaluations of the NDF Program and its projects have indicated a successful Program that has achieved both its long-term and short-term goals. Extensive new audits (at the NDF's request) are expected to begin in the fall of 2003, and State OIG expects to inspect the NDF Program in FY 2004.

Evidence: Verification of NDF project results by DOE, the VC bureau, U.S. embassies abroad, foreign governments, and on occasion the press; OIG audits and inspections; and NDF in-house evaluations of projects.

PART Performance Measurements

Program: Nonproliferation and Disarmament Fund

Agency: Department of State

Bureau: Bureau of Nonproliferation

Measure: Percentage of NDF projects completed within budget and that meet outcome goals established when the project is approved.

Additional Information: This measure can include completion of projects in the target fiscal year that were initiated in prior fiscal years.

Measure Term: Annual

Year	Target	Actual
2002	100	100
2003	100	
2004	100	

Measure: Number of countries engaged in the U.S. information technology effort to develop and field export control and dangerous materials tracking systems. Total number of countries participating in system development and number of countries where system installed.

Additional Information: The tracker system is an export licensing system under development in concert with a number of countries. Some of the countries participating in development have installed the system

Measure Term: Annual

Year	Target	Actual
2002	12 : 8	12 : 8
2003	13 : 9	
2004	14 : 10	
2005	15 : 11	

Program Assessment Rating Tool (PART)

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	86%	83%	75%	

1.1 Is the program purpose clear? Answer: Yes Question Weight: 20%

Explanation: The U.S. provides funding to the OSCE to ensure regional and sub-regional stability in the independent states of the former Soviet Union and the countries of southeastern Europe.

Evidence: Congressional Budget Justifications, MPPs and Congressional Notification documents.

1.2 Does the program address a specific interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: OSCE programs promote human rights, democracy and regional security in the states of the former Soviet Union and southeastern Europe.

Evidence: Congressional Budget Justifications, MPPs and Congressional Notification documents.

1.3 Is the program designed to have a significant impact in addressing the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: PKO funds support a portion of the OSCE's overall operating budget and provide contributions for specific projects of interest to the U.S. Since the OSCE is a large organization funded by many member states and has a wide variety of programs and objectives, the impact of a marginal increase or decrease in PKO funding for the organization's operating budget would be difficult to measure. But major reductions in the U.S. contribution to its operating budget would probably require that certain missions/operations be significantly scaled back. In some cases, the U.S. is the major/only donor for specific OSCE projects, so the impact of a funding reduction/increase for those programs would be readily known. State provides funds to OSCE from other accounts (D&CP, SEED and FSA), so it is possible that there could be some duplication in State funding for OSCE.

Evidence: Congressional Budget Justifications, MPPs and Congressional Notification documents.

1.4 Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)? Answer: Yes Question Weight: 20%

Explanation: The OSCE is unique in its size and scope. It is the largest regional security organization in the world with 55 participating States from Europe, Central Asia and North America. It is active in early warning, conflict prevention, crisis management and post-conflict rehabilitation. The OSCE approach to security is comprehensive in dealing with a wide range of security-related issues including arms control, preventive diplomacy, confidence- and security-building measures, human rights, democratization, election monitoring and economic and environmental security; and cooperative in the sense that all OSCE participating States have equal status, and decisions are based on consensus.

Evidence: Congressional Budget Justifications, MPPs and Congressional Notification documents, UN Secretary General reports.

1.5 Is the program optimally designed to address the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: There is no conclusive evidence that another approach would be more efficient/effective to achieve the program purposes.

Evidence:

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	86%	83%	75%	

2.1 **Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: Yes — Question Weight: 14%

Explanation: UPDATED FOR 2005: State has revised its MPP for the USOSCE and addressed all of OMB's recommendations from the FY 2004 PART. The revised MPP contains long-term goals with annual targets, baseline information as well as a report on progress to date. The goals are also linked to the funding source. The revised MPP should be considered an example for other State programs to follow.

Evidence: FY 2005 MPP for USOSCE.

2.2 **Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?**

Answer: Yes — Question Weight: 14%

Explanation: UPDATED FOR 2005: The 2005 MPP for USOSCE addressed OMB's recommendations included in the FY 2004 PART. The MPP now includes separate annual and long-term goals, each with supporting annual targets, baseline information and reports on progress to date. The annual goals are directly related to the long-term goals, so that progress toward the long-term goal can be measure by the annual goals and targets. The goals are also linked to the funding source.

Evidence: FY 2005 MPP for USOSCE.

2.3 **Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?**

Answer: Yes — Question Weight: 14%

Explanation: UPDATED FOR 2005: State has revised its MPP for the USOSCE and addressed all of OMB's recommendations from the FY 2004 PART regarding performance goals. USOSCE has demonstrated that it requires reporting from the OECD that is sufficient to evaluate the annual and long-term goals for the program.

Evidence: FY 2005 MPP for USOSCE, Mandate for OSCE Mission in Moldova, reports from OSCE's Office of Democratic Institutions and Human Rights (ODIHR) and the Kosovo Mission on U.S. contributions for human dimension projects, PAE reports, IRMA presentation.

2.4 **Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?**

Answer: Yes — Question Weight: 14%

Explanation: UPDATED FOR 2005: State has defined which type of OSCE programs are funded by PKO and other appropriations in response to concerns that overlapping funding was being provided by several appropriations.

Evidence: State memo submitted for FY 2005 PART; July 23, 2002 internal State Department memo allocating PKO funding for OSCE.

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	86%	83%	75%	

2.5 **Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?** Answer: Yes Question Weight: 14%

Explanation: Program managers in the Political Military and regional bureaus review and evaluate the activities of the OSCE. The Resource Management Office (RMO) at USOSCE also conducts reviews of OSCE missions in the field to monitor performance. While these reviews are not independent of the federal agency (i.e. State), they are independent of the recipient organization (OSCE), and appear to be sufficient in scope. USOSCE's RMO has agreed to undertake a review of its programs on a regularly scheduled basis, including quarterly consultations with the OSCE Secretariat and a quarterly visit to at least one OSCE Institution, for the purpose of evaluating the programs performance in relation to goals set out in the State Department's performance planning documents.

Evidence: UN Secretary General Reports, USOSCE Extra-budgetary Evaluation Form, USOSCE Extra-budgetary Report Requirements.

2.6 **Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?** Answer: No Question Weight: 14%

Explanation: UPDATED FOR 2005: In general and for these specific programs, State Bureau Performance Plans and Mission Performance Plans do not tie resource decisions to annual performance targets.

Evidence: 2005 MPP for USOSCE

2.7 **Has the program taken meaningful steps to address its strategic planning deficiencies?** Answer: Yes Question Weight: 14%

Explanation: UPDATED FOR 2005: State has revised its MPP for the USOSCE and addressed all of OMB's recommendations from the FY 2004 PART. The revised MPP contains long-term goals with annual targets, baseline information as well as a report on progress to date. The goals are also linked to the funding source. The revised MPP should be considered an example for other State programs to follow.

Evidence: 2005 MPP for USOSCE.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: Yes Question Weight: 16%

Explanation: State program managers require and evaluate a variety of reports that address program performance and contract compliance. Since the East Timor programs are implemented by contractors, there are a number of reporting requirements that are built into contract agreements. The OSCE submits reports for a number of programs funded by PKO. However, information received in response to these reporting requirements should be better linked to key annual and long-term performance goals set out in State performance plans and should provide the basis for baseline information included in performance plans.

Evidence: Contract reports, OSCE reports, written explanations submitted by State program managers in support of the PART exercise.

Program:	PKO - OSCE Programs		
Agency:	Department of State		
Bureau:			
Type(s):	Direct Federal		

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	86%	83%	75%	

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?** Answer: No Question Weight: 16%

Explanation: UPDATED FOR 2005: To our knowledge, performance management contracts are not used for program managers. The 2005 PART guidance requires the program agency to identify the managers who are responsible for achieving key program results and establish performance standards for those managers. To our knowledge, this has not occurred.

Evidence: State memo submitted for FY 2005 PART

3.3 **Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: Yes Question Weight: 16%

Explanation: PKO funds, which have single-year availability, are obligated within the year appropriated. However, State program mangers have had difficulties in the past obligating the required 85% of funds before August 31 each year. Program managers have identified this problem and are working to address it. In addition, USOSCE now requires increased reporting from the OSCE to augment its ability to oversee the organization's obligation of funding.

Evidence: SF133s, written explanations submitted by State program managers in support of the PART exercise.

3.4 **Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: Yes Question Weight: 16%

Explanation: The U.S. Mission to the OSCE was able to demonstrate (see Section II, question 1) that they have taken measures to improve the efficiency and quality of their resource tracking system.

Evidence: Written explanations submitted by State program managers in support of the PART exercise, contract documents, USOSCE MPP, USOSCE Extra-budgetary Tracking Form, USOSCE Standard Operating Procedures on Extra-budgetary Contributions, Assessments and Contract Invoices.

3.5 **Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?** Answer: N/A Question Weight: 0%

Explanation: UPDATED FOR 2005: This question was deleted from the 2005 PART, so it did not seem appropriate to include it in the 2005 reassessment.

Evidence:

3.6 **Does the program use strong financial management practices?** Answer: Yes Question Weight: 16%

Explanation: Procedures are in place to ensure that proper payments are made. Bills are received on a regular basis and reviewed by the appropriate agency officials before being certified for approval. In addition, USOSCE and State are taking steps to refine the implementation of procedures to avoid occasional lapses that have occurred in this process.

Evidence: Written explanations submitted by State program managers in support of the PART exercise, USOSCE MPP, USOSCE cables on bills.

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	86%	83%	75%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: Yes Question Weight: 16%

Explanation: State has identified oversight and performance planning problems with contributions provided to the OSCE for specific projects ("grants"). They are taking steps to improve oversight and require the OSCE to report on performance criteria. In addition, USOSCE created a Resource Management Office to allow them to better manage the U.S. resources provided to the OSCE.

Evidence: Written explanations submitted by State program managers in support of the PART exercise, USOSCE MPP, USOSCE Extra-budgetary Evaluation Form, USOSCE Extra-budgetary Report Requirements, USOSCE Extra-budgetary Contribution Tracking Form.

4.1 Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)? Answer: Yes Question Weight: 25%

Explanation: UPDATED FOR 2005: The 2005 USOSCE MPP includes measurable long-term and annual goals and reports on progress made to date towards those goals. The majority of the goals show that the annual targets, which measure progress toward the long-term goals, have been met.

Evidence: 2005 MPP for USOSCE

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: Yes Question Weight: 25%

Explanation: UPDATED FOR 2005: The 2005 USOSCE MPP includes measurable long-term and annual goals and reports on progress made to date towards those goals. The majority of the goals show that the annual targets, which measure progress toward the long-term goals, have been met.

Evidence: 2005 MPP for USOSCE

4.3 Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year? Answer: Yes Question Weight: 25%

Explanation: Funding for the OSCE has been scaled back or realigned as requirements have changed. In addition, the U.S. backed an OSCE decision to let out bids for a contract to develop an integrated resource management system, which will enable the organization to improve its efficiency and management of resources.

Evidence: Written explanations submitted by State program managers in support of the PART exercise, CBJs and CNs reflecting funding adjustments based on program changes.

4.4 Does the performance of this program compare favorably to other programs with similar purpose and goals? Answer: n/a Question Weight: 0%

Explanation: None of the measures in the common measures program relate to this program.

Evidence:

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	
100%	86%	83%	75%	Moderately Effective

4.5 **Do independent and quality evaluations of this program indicate that the program is effective and achieving results?**

Answer: No

Question Weight: 25%

Explanation: UPDATED FOR 2005: Examples of independent evaluations were not made available to OMB for review.

Evidence:

Program: PKO - OSCE Programs

Agency: Department of State

Bureau:

Measure: Existing and emergent regional conflicts in Moldova and the Caucasus are contained and/or resolved. 2003 target - Government and separatist groups in Moldova accept formally the Kiev Document, detailed negotiations commence. 2006 target - Post-conflict resolution phase begins. Actual: 2003 target has been met & exceeded.

Additional Information: Target:FY03 - Both the Moldovan and Transnistrian sides accept formally the Kiev Document as the basis for negotiation of an eventual comprehensive political settlement. Detailed negotiations commence.FY06 - Post-conflict resolution phase begins, including reintegration of the Transnistrian region into Moldovan society. Actual Progress achieved toward goal:FY 2003's target has been met and even exceeded. Initially, both sides accepted the Kiev Document as the basis for negotiations and detailed negotiations are underway. Since then, the two sides have agreed to an entirely new approach. They have created a Joint Constitutional Commission that brings together representatives of the Moldovan government and the Transnistrian side to jointly draft a brand new constitution for a future federal state, based upon the principles of the Kiev document.

Year	Target	Actual	**Measure Term:** Long-term

Measure: USOSCE's Resource Management Office (RMO) will implement internal policies and advance external OSCE initiatives to ensure adequate staffing, integrated budgeting, strategic planning, and demonstrated financial accountability for achievement of US Mission Performance Goals within the OSCE and effective financial management of the resources provided by the USG in support of OSCE activities.

Additional Information: Target:FY03 - OSCE Secretariat signs a contract with a company specializing in improvement of business practices of international organizations to develop a common regulatory framework for the OSCE. This firm concludes a comprehensive assessment of OSCE business practices, upgrades existing Oracle modules, and designs modules for management of extra-budgetary contributions, human resources, the regular budget, inventory and payroll. FY06 - Annual report of the External Auditor recognizes marked improvement in OSCE resource management. Actual Progress achieved toward goal:FY 2003's targets have been met or are in the process of being met. In April, the OSCE Secretariat signed a contract with Accenture to assist the OSCE in developing a common regulatory framework. Accenture has completed its review of OSCE practices and is presently upgrading the Oracle system and designing the modules described for FY 2003 above.

Year	Target	Actual	**Measure Term:** Long-term

Measure: Measures adopted to develop sustainable democratic institutions, rule of law, political practices, and fundamental human rights, bringing Central Asian, Caucasus, and Balkan countries into closer compliance with OSCE commitments.

Additional Information: Target:FY04 - Local authorities in Kosovo successfully plan and manage 2004 elections, with significant OSCE assistance and supervision.FY06 - Level of respect for the principle of free elections increases significantly throughout the OSCE area. ODIHR conducts no more than 5 full-scale election observation missions. Local authorities in Kosovo take full responsibility for planning elections in 2006, with OSCE as observer only. Actual Progress achieved toward goal:FY 2003's targets have been met. ODIHR will conduct two expert assessments, and adequate funding for training local electoral authorities in Kosovo was obtained.

Year	Target	Actual	**Measure Term:** Long-term

Program: PKO - OSCE Programs

Agency: Department of State

Bureau:

Measure: Conclusion and implementation of a comprehensive political settlement of the conflict between Moldova and its breakaway constituent region of Transnistria.

Additional Information: Performance Target: 2003 Target - Both the Moldovan and Transnistrian sides accept formally the Kiev Document as the basis for negotiation of an eventual comprehensive political settlement. Detailed negotiations commence.2005 Target - Negotiations conclude the security protocol, which is signed by both sides. Both sides ratify simultaneously the settlement document and the security protocol. Actual Performance:FY 2003's target has been met and even exceeded. Initially, both sides accepted the Kiev Document as the basis for negotiations and detailed negotiations are underway. Since then, the two sides have agreed to an entirely new approach. They have created a Joint Constitutional Commission that brings together representatives of the Moldovan government and the Transnistrian side to jointly draft a brand new constitution for a future federal state, based upon the principles of the Kiev document.

Year	Target	Actual	**Measure Term:** Annual

Measure: Comprehensive settlement of the Nagorno-Karabakh conflict between Armenia and Azerbaijan. 2003 Target: With presidential and parliamentary elections in both Armenia and Azerbaijan, Prague Mechanism coninues. 2005 Target: Negotiations begin in earnest on a comprehensive political settlement document. Actual: Little progress achieved but the Prague Mechanism continues, no ground is lost.

Additional Information: Performance Target: 2003 Target - With presidential and parliamentary elections in both Armenia and Azerbaijan, little progress is achieved. Nevertheless, Co-Chair meetings with presidents and within the Prague Mechanism continue and no ground is lost.2005 Target - Negotiations begin in earnest on a comprehensive political settlement document. Actual Performance:FY 2003's targets have not been met entirely due to external factors. Co-Chair meetings with the Presidents have been suspended through the election season in the two countries and Prague mechanism meetings have not been held because neither side is willing to participate. Although no ground has been lost, the process is essentially in suspense until after the Azerbaijani presidential elections in October 2003 (FY2004).

Year	Target	Actual	**Measure Term:** Annual

Measure: OSCE Secretariat implementation of a common regulatory framework on the basis of its program for Integrated Resource Management (IRMA).

Additional Information: Performance Target: 2003 Target - OSCE Secretariat signs a contract with a company specializing in improvement of business practices of international organizations to develop a common regulatory framework for the OSCE. This firm concludes a comprehensive assessment of OSCE business practices, upgrades existing Oracle modules, and designs modules for management of extra-budgetary c2005 Target - The Contractor will build, test and deploy modules for management of inventory and payroll resulting in full implementation of an integrated resource management system and a common administrative framework with clear lines of responsibility and accountability throughout the organization.ontributions, human resources, the regular budget, inventory and payroll. Actual Performance:FY 2003's targets have been met or are in the process of being met. In April, the OSCE Secretariat signed a contract with Accenture to assist the OSCE in developing a common regulatory framework. Accenture has completed its review of OSCE practices and is presently upgrading the Oracle system and designing the modules described for FY 2003 above.

Year	Target	Actual	**Measure Term:** Annual

PART Performance Measurements

Program: PKO - OSCE Programs

Agency: Department of State

Bureau:

Measure: Implement system to ensure accountability for U.S. extra-budgetary contributions to OSCE. 2003 Target: USOSCE institutes quarterly assessment visits to OSCE institutions/missions and works to establish tracking system. 2005 Target: USOSCE clears all unexpended funds from 2003 or earlier.

Additional Information: Performance Target: 2003 Target - USOSCE institutes quarterly visits to OSCE institutions and/or missions, on a rolling schedule, to assess accountability for U.S. contributions. USOSCE works with OSCE Secretariat to establish a tracking system for U.S. extra-budgetary contributions.2005 Target - USOSCE clears all unexpended funds from 2003 or earlier. Actual Performance:Due to personnel gaps during the period under review, USOSCE has not been able to conduct quarterly visits, but has reviewed intensively specific missions/institutions on a quarterly basis.

Year	Target	Actual

Measure Term: Annual

Measure: DIHR/OSCE assessment of participating State compliance with international standards in the conduct of elections.

Additional Information: Performance Target: 2003 Target - ODIHR conducts no more than three expert assessments. Adequate funding is included in the regular budget for the OSCE Kosovo Mission 2005 Target - All Balkan states (including Kosovo and Serbia-Montenegro) achieve a level of democracy that obviates ODIHR full-scale election observations.to train local authorities to assume responsibility for planning and managing elections in 2004. Actual Performance:FY 2003's targets have been met. ODIHR will conduct two expert assessments, and adequate funding for training local electoral authorities in Kosovo was obtained.

Year	Target	Actual

Measure Term: Annual

Program Assessment Rating Tool (PART)

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	100%	91%	45%	

1.1 Is the program purpose clear? Answer: Yes Question Weight: 20%

Explanation: The program purpose, as authorized in law, is to resettle refugees of "special humanitarian concern to the U.S." There is consensus among the interested non-governmental organizations, Members of Congress, and the Executive Branch as to the purpose of the program, but there is not consensus as to how to implement the program.

Evidence: a. Refugee Act of 1980

1.2 Does the program address a specific interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: The draft State/USAID 2004-2009 Strategic Planning Framework lists "Humanitarian Response" as a national interest. This means "offering assistance and international leadership to help alleviate human suffering." A strategy to achieve this goal is ensuring the protection and assistance of refugees by promoting durable solutions, one of which is resettlement to a third country.

Evidence: a. State/USAID 2004-2009 Strategic Planning Framework (draft)b. FY 2005 Bureau Performance Planc. U.S. Committee for Refugees World Refugee Survey 2003

1.3 Is the program designed to have a significant impact in addressing the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: This program meets a vital humanitarian need which would otherwise not be met. Without Federal funds, this program would cease to exist as private contributions would be inadequate for the purpose. The R&P portion of the program is structured as a public private partnership, and requires some level of private contribution from participants. In recent years private contributions have diminished, with private contributions of some 18% in FY 2001. Having the program administered at the Federal level ensures oversight for consistent standards of performance.

Evidence: a. Reception and Placement Cooperative Agreementb. R&P Program Quarterly Financial Reportsc. Comparison of Resettlement Agencies Use of Per Capita Funds During the Period October 1, 2001-September 30, 2002 (FY 2002)

1.4 Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)? Answer: Yes Question Weight: 20%

Explanation: There is no other program, Federal, state, local or private, which identifies, processes, transports and receives refugees arriving in the U.S. There is some overlap with HHS with regard to care of refugees once in the U.S. The State funding for the first 30-90 days refugees are in the country may be supplemented by HHS funding for Matching and Preferred Communities grants during the same period. While funds are to be used for different purposes and have separate financial reports, at the caseworker/refugee level, there can be confustion as to the differences between the two "pots" of money.

Evidence: a. Refugee Act of 1980b. FY 2004 Foreign Operations Congressional Budget Justificationc. Examiner observations during monitoring trip

Program Assessment Rating Tool (PART)

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	100%	91%	45%	

1.5 Is the program optimally designed to address the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: The program is implemented through cooperative agreements with NGOs, agreements with international organizations and use of in-house resources, depending on which vehicle is most appropriate to the given situation. For example, in some locations in-house embassy staff perform refugee processing functions when access issues preclude NGO or IO access or the caseload is too small to merit a processing entity. Cooperative agreements allow the USG to be involved with the implementation of the program (unlike a grant, where the USG is not involved once the grant is awarded).

Evidence: a. Federal Grant and Cooperative Agreement Act of 1977

2.1 Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program? Answer: Yes Question Weight: 14%

Explanation: The program has worked with OMB to create a limited number of specific and ambitious long-term goals which relate to the program purpose. These goals are focused, measurable, and outcome-oriented. Goal 1: Refugees are admitted to the U.S. within established ceilings based on an assessment of the number of refugees in need overseas and U.S. capacity to respond; Goal 2: Security, health, and antifraud measures are fully implemented in refugee processing; Goal 3: A nationwide network of service providers with the capacity to assist arriving refugees to begin the process of becoming self-sufficient, fully integrated members of U.S. society

Evidence: a. PRM Bureau Performance Plans, FY 2004 and FY 2005

2.2 Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals? Answer: Yes Question Weight: 14%

Explanation: The four goals listed below are included in the Bureau of Population, Refugees, and Migration's FY 2005 Bureau Performance Plan. Some of these goals were new in FY 2004, while others are rewritten versions of previous goals. All four goals are quantifiable and measurable and directly related to the three long-term goals listed in question 1. Goals 1 and 3 on the right are a step towards achieving Goals 1 and 3 above. Goals 2 and 4 on the right are necessary to achieving Goal 2 above. Goal 1:UNHCR has strengthened capacity to identify appropriate durable solutions, including third-country resettlement, for refugees; Goal 2: Domestic and overseas refugee processing operations ensure that all required security, anti-fraud, and health screenings are accomplished in an effective and timely manner; Goal 3: Standardized essential services (including decent housing, employment opportunities, and education for children) are provided by sponsoring agencies during the period of refugees' initial resettlement in the U.S.; Goal 4: A centralized, worldwide database that will track all refugees being considered for admission to the U.S., to link up all the processing entities overseas with PRM and our federal, international, and voluntary partners.

Evidence: a. PRM Bureau Performance Plans, FY 2004 and FY 2005

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	100%	91%	45%	

2.3 Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?

Answer: Yes Question Weight: 14%

Explanation: The Reception and Placement Grant Cooperative Agreements include goals regarding basic necessities, core services, and employment. The agreement also defines these terms, making the goals measurable (e.g., refugees should have one chair for each family member). Overseas processing agreements include output goals (number of refugees to be processed by entity) that grantees must meet. Reporting requirements and monitoring allow the Bureau to verify if goals are being met.

Evidence: a. Reception and Placement Cooperative Agreementb. Overseas Processing Entity Cooperative Agreementc. FY 2005 Bureau Performance Pland. Refugee Processing Budget Worksheet

2.4 Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?

Answer: Yes Question Weight: 14%

Explanation: The Department of State, the INS and HHS all have a role in refugee admissions. The three agencies coordinate effectively, as evidenced by the jointly produced yearly report for Congress, which explains the current situation and suggests a ceiling and allocation for the upcoming fiscal year. In addition, State works closely with INS in the field to institute new procedures (such as security measures) related to overseas processing and with HHS to figure out where (States/regions) refugees should be resettled and the types of orientation materials that are needed. The Department also works with State refugee coordinators when reviewing proposals, in order to best determine where refugees can be placed upon arrival in the U.S.

Evidence: Report to Congress, letters from Department of State to State refugee coordinators, responses from State refugee coordinators

2.5 Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?

Answer: Yes Question Weight: 14%

Explanation: State OIG began an audit of the R&P program in FY 2003. Its report is expected in early FY 2004. As part of the program review being conducted by the agency, it has also engaged an independent expert consultant to evaluate the program. His report is expected early in FY 2004.

Evidence: a. FY 2003 OMB PART reviewb. State OIG audit (ongoing)

2.6 Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?

Answer: Yes Question Weight: 14%

Explanation: In addition to the Congressional Budget Justification and Bureau Performance Plan, the Bureau produces a yearly implementation plan for the Admissions program. This plan is produced once the fiscal year begins and reflects any funding, policy or legislative changes made since the previous year. The plan lays out the program objectives, the link between the objectives and the Bureau performance plan, and how funding is to be used to achieve those goals.

Evidence: a. FY 2004 Foreign Operations Congressional Budget Justificationb. FY 2005 Bureau Performance Planc. Program and Policy Review Committee Refugee Admissions Implementation Plan (FY00, FY01, FY02, FY03)

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	100%	91%	45%	

2.7 Has the program taken meaningful steps to address its strategic planning deficiencies? Answer: Yes Question Weight: 14%

Explanation: OMB commends the program managers for their efforts to improve the FY2004 plan and build on it in FY2005; the new plans are a significant improvement from the previous plan. The program did not have a procedure in place to identify strategic planning deficiencies. However, when such deficiencies were pointed out by the Department of State's Strategic Planning office or OMB, the program managers worked with these offices to move toward improved goals and indicators, as was done with the FY 2004 performance plan.

Evidence: a. FY 2003 OMB PART reviewb. PRM Bureau Performance Plans, FY 2004 and FY 2005c. Department of State Strategic Plan

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: Yes Question Weight: 9%

Explanation: The domestic and overseas cooperative agreements require a number of reports from program partners (some quarterly and some annual). In addition, if organizations want to renew their contract or are seeking to renew a cooperative agreement, State program managers make recommendations regarding budget, staffing, and affiliate office capacity to resettle refugees. Agreements are only signed once the organizations agree to the recommendations.

Evidence: R&P Free Case Employment Reports, R&P Quarterly Affiliate Monitoring Report, R&P Annual Report, R&P Financial Reports, Overseas Processing Entity Program Report, OPE Financial Reports

3.2 Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results? Answer: Yes Question Weight: 9%

Explanation: Program partners are held accountable for past performance, based on the guidelines agreed to in the cooperative agreement. There are adjustments made to the next agreement based on prior performance. For program managers at State, personnel evaluations take account of program results and performance.

Evidence: Reception and Placement Cooperative Agreement, Overseas Processing Entity Cooperative Agreement

3.3 Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: No Question Weight: 9%

Explanation: There are procedures in place to ensure that partners are paid for actual expenditures and grantees must take action to address any deficiencies found in audits in order to continue being a program partner. In addition, for both overseas operations and reception and placement, the partners provide expenditure reports demonstrating that funding is used directly in support of program goals. However, the program has not been able to obligate funds consistently with the overall program plan. Due to a variety of reasons (more in-depth security clearance system, delays in adjudication interviews, etc.), not all of which are under the control of program managers, the number of refugees in the pipeline has been low and the program has not been able to support the Presidentially-determined annual ceiling (in FY2002 and FY2003 the ceiling was 70,000). Program managers have reprogrammed funds so that funds can be used to support other programs in the funding account, but the fact remains that a large amount of funds appropriated to this account are not spent on this program (the intended purpose of the appropriation).

Evidence: Reception and Placement Financial Reports, Foreign Operations Congressional Budget Justification, Migration and Refugee Assistance Financial Plan.

3.4 **Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: Yes Question Weight: 9%

Explanation: Admissions program expenditure reports and budgets are evaluated regularly. Line item costs are compared to program per capita averages to assess efficiencies and effectiveness. Partners are required to take corrective action in order to be eligible for future funding. The development of the new IT processing system, which will provide real-time data to program managers, will further enhance PRM's ability to conduct these assessments.

Evidence: a. Bureau Performance Plan with performance goal for WRAPS (the new IT processing system).

3.5 **Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?**

Answer: Yes Question Weight: 9%

Explanation: The program keeps a detailed budget that identifies all program costs. The FTE costs are included in overall admin expenses for the bureau. The costs for program partners, as well as additional contract personnel, are included in the budget estimates for the program.

Evidence: Migration and Refugee Assistance budget request, financial reports from program partners, Admissions Finances--FY2003

3.6 **Does the program use strong financial management practices?**

Answer: Yes Question Weight: 9%

Explanation: Each program partner must have an independent audit conducted and these have not resulted in any finding of material internal control weaknesses. Also, payments are made to partners only as funds are needed. The Comptroller's office signs the cooperative agreements and keeps a close watch on obligations and payments, even examining documents that they do not have to examine. However, the Department is required to have yearly independent audits, not the Bureau.

Evidence: Audit reports, procedures exist to identify improper payments

3.7 **Has the program taken meaningful steps to address its management deficiencies?**

Answer: Yes Question Weight: 9%

Explanation: For reception and placement grants, the agency works with program partners and State refugee agencies to ensure that proposals fit the needs of the program. Therefore, if the Department believes that a partner is proposing to resettle too many refugees from a certain ethnic group in a certain state or region, the Department of State will adjust the proposals to fit the needs of the program and the abilities of the resettlement organization. Since cooperative agreements are signed every year, the Department must determine the needs of the program every year and enter agreements that fit those needs.

Evidence: Letters from State to voluntary agencies

Program Assessment Rating Tool (PART)

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	
100%	100%	91%	45%	Moderately Effective

3.CO1 **Are grant applications independently reviewed based on clear criteria (rather than earmarked) and are awards made based on results of the peer review process?**

Answer: Yes   Question Weight: 9%

Explanation: Requests for proposals, for both overseas operations and reception and placement, define the criteria that must be met in order to qualify for a cooperative agreement. For both types of programs, the Admissions office uses panel review, involving other offices in the Bureau and outside agency participation when appropriate. Proposals are scored and recommendations made according to those results.

Evidence: Reception and Placement Proposal Guidance, Request for Proposals- Overseas Processing Entities

3.CO2 **Does the grant competition encourage the participation of new/first-time grantees through a fair and open application process?**

Answer: Yes   Question Weight: 9%

Explanation: The reception and placement proposals are subject to fair and open competition, however, there have not been any new grantees for some time. State notes that other organizations have considered applying, but have lost interest once they have read program guidance (organizations must have nationwide networks and be social service providers in order to apply; few providers exist that have nationwide networks). For the overseas processing entities, there is a requirement that the organizations be familiar with the U.S. resettlement program. While this makes sense, it also limits the organizations that can apply.

Evidence: State has advertised its request for proposals with Interaction (umbrella organization of humanitarian assistance groups), but there have been no new grantees in recent years.

3.CO3 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?**

Answer: Yes   Question Weight: 9%

Explanation: For the reception and placement part of the program, program staff conduct visits to the affiliate offices and the homes of refugees. The program officers talk to refugees, caseworkers, affiliate directors and HQ staff and get input from all angles. They examine the case files and survey houses to ensure refugees received all required supplies and goods. Financial reports from agencies show how funds are being expended. For the overseas processing entities, there is a less standardized monitoring process, but the Bureau program staff do visit these organizations and have frequent conversations with managers.

Evidence: Examiner observations on monitoring trip, Volag Affiliate Questionnaire, Home Visit Questionnaire, Caseworker Questionnaire, PRM Monitoring Reports

3.CO4 **Does the program collect performance data on an annual basis and make it available to the public in a transparent and meaningful manner?**

Answer: Yes   Question Weight: 9%

Explanation: The program collects data on performance and distributes it via its web site.

Evidence: www.state.gov/g/prm

Program Assessment Rating Tool (PART)

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	100%	91%	45%	

4.1 Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?

Answer: Large Extent — Question Weight: 33%

Explanation: The program has made partial progress toward achieving each of the three goals, with more progress being made in the first two goals.

Evidence:

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: Large Extent — Question Weight: 33%

Explanation: The program has achieved its FY2002 target for Goal IV and is making significant progress in FY2003. In addition, there has been good progress towards achieving Goals II , III, and IV.

Evidence:

4.3 Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?

Answer: No — Question Weight: 33%

Explanation: The past year has continued to be unusual and challenging for the agency. Costs remained elevated (though they are expected to be somewhat lower than last year) as the agency continued to adapt to increased security measures and enhanced background checks. Costs are expected to decrease and stabilize next year as the new measures and procedures are fully implemented.

Evidence: a. FY 2003 Cooperative Agreements (R&P/OPE)b. 2003 IOM Memorandum of Understandingc. FY 2003 Admissions Program Budgets and Financial Reports

4.4 Does the performance of this program compare favorably to other programs with similar purpose and goals?

Answer: N/A — Question Weight: 0%

Explanation: Only a small piece of this program (Reception & Placement with the Department of Health and Human Services) overlaps with another program.

Evidence:

4.5 Do independent and quality evaluations of this program indicate that the program is effective and achieving results?

Answer: N/A — Question Weight: 0%

Explanation: Results of State Dept IG audit of the program will not be available until early FY 2004.

Evidence:

PART Performance Measurements

Program: Refugee Admissions to the U.S.

Agency: Department of State

Bureau: Population, Refugees, and Migration (PRM)

Measure: Refugees are admitted to the U.S. within established ceilings based on an assessment of the number of refugees at risk overseas and U.S. capacity to respond. (Measured by the percentage of total ceiling included in Presidential Determination that is an unallocated reserve)

Additional Information: The refugee admissions ceiling is established based on real assessment of need and thus includes no more than a 5% unallocated reserve by FY 2005. Actual Progress achieved toward goal:Proposed refugee admissions ceiling for FY 2004 includes 10% unallocated reserve (down from 30% in FY 2003).

Year	Target	Actual
2003		30%
2004	10%	
2005	5%	

Measure Term: Long-term

Measure: Assist the UN High Commissioner for Refugees (UNHCR) to strengthen its capacity to identify appropriate durable solutions, including third-country resettlement, for refugees. (Measured by number of referrals made by UNHCR to USG)

Additional Information: Performance Target: For FY2003, consistent annual referrals (either group or individual) from UNHCR of 10,000 individuals (13,500 in CY03). For FY2004, 11,000 referrals. Actual Performance:The U.S. received some 5,000 UNHCR referrals in FY2002. In FY 2003, the PRM funded a special resettlement initiative, which included an explicit and mutually agreed target of 13,500 referrals for CY 2003 from UNHCR. As of June 30, PRM estimates that UNHCR has delivered some 4-5,000 referrals, but the flow is accelerating rapidly, particularly in W. Africa. UNHCR states that they will meet the 13,500 requirement by the end of December.

Year	Target	Actual
2003	10,000	
2004	11,000	

Measure Term: Annual

Measure: Ensure that standardized essential services (incl. decent housing, employ. opportunities, and educ. for children) are provided by sponsoring agencies during period of refugees initial resettlement in the U.S. (Measured by compliance rate to standards)

Additional Information: Performance Target: FY 2003: 85% compliance with standards of care for all essential services by all participating agency affiliates. By FY 2004, 90% compliance. By FY 2005, 95% compliance. Actual Performance:Standards were developed in FY 2001 and this goal was first monitored during FY 2002. Results for FY 2002 monitoring reflect overall compliance rates of 75%. Qualitative data indicates that FY 2003 target will likely be met, however, quantitative data is not yet available.

Year	Target	Actual
2002		75%
2003	85%	
2004	90%	

Measure Term: Annual

PART Performance Measurements

Program: Refugee Admissions to the U.S.

Agency: Department of State

Bureau: Population, Refugees, and Migration (PRM)

Measure: Ensure that standardized essential services (incl. decent housing, employ. opportunities, and educ. for children) are provided by sponsoring agencies during period of refugees initial resettlement in the U.S. (Measured by compliance rate to standards)

Additional Information: Performance Target: FY 2003: 85% compliance with standards of care for all essential services by all participating agency affiliates. By FY 2004, 90% compliance. By FY 2005, 95% compliance. Actual Performance:Standards were developed in FY 2001 and this goal was first monitored during FY 2002. Results for FY 2002 monitoring reflect overall compliance rates of 75%. Qualitative data indicates that FY 2003 target will likely be met, however, quantitative data is not yet available.

Year	Target	Actual
2005	95%	

Measure Term: Annual

Program Assessment Rating Tool (PART)

Program:	Security Assistance for the Western Hemisphere
Agency:	Department of State
Bureau:	Western Hemisphere Affairs
Type(s):	Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	83%	100%	53%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: Section 503, Chapter 2, Part II, of the Foreign Assistance Act clearly establishes the legal authority and purpose for US military assistance. The purpose for Foreign Military Financing grants (FMF) and International Military Education and Training (IMET) is further refined in the WHA Bureau Performance Plan (BPP) as follows: to promote U.S. national security by enhancing regional stability, preventing and responding to terrorism, and enhancing efforts against international crime and drugs. Moreover, FMF/IMET facilitates mil-to-mil cooperation on a range of defense and security related issues and strengthens cooperation between regional governments and the US on those issues. The authorities for grant assistance are sect 541 (IMET) of the FAA and section 23 of the Arms Export Control Act.

Evidence: a. Section 503, b. Chapter 2, Part II, of the Foreign Assistance Act of 1961, c. The WHA Bureau Performance Plan (BPP), d. State Department FY 2004 Congressional Budget Justification, e. The Arms Export Control Act.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 20%

Explanation: At the strategic level, terrorism in the Andes and illegal criminal activity in the Caribbean and Central America are two principle threats to US national security interests in the region. The US also looks to regional governments for cooperation on a variety defense issues as such coalition support and peace keeping activities. FMF and IMET funded programs target these needs. Individual FMF programs in the WHA countries are developed by the the embassy country team (the MILGRP is the lead agency) and SOUTHCOM. Early in the process, the Country Security Cooperation Plan is developed, which includes the long-term strargic goals and the key capabilities that need to be put in place to achieve those goals. From these required capabilities (e.g. improve interoperability) outcomes and tasks (e.g. provide specific communications equipment) are developed to help achieve the required capability.

Evidence: a. WHA BPP, b. State Department FY 2004 Congressional Budget Justification.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight: 20%

Explanation: FMF/IMET are the principle forms of US military assistance. IMET is uniquely designed to provide training opportunities not otherwise supported with US funding. Because of the nexus between drugs and terrorism, FMF programs, including funding and goals, are closely coordinated with programs funded with International Narcotics Control and Law Enforcement funds and S/CT. For example, to improve security in Arauca, Colombia, FMF and INCLE programs work in conjunction, as part of a unified campaign, without overlapping -- FMF focuses on support to the military while INCLE focuses on support to the police. Additionally, FMF programs leverage other forms of security assistance such as Excess Defense Articles (EDA) and assistance to Colombia under Section 1033 and 1004. In several cases FMF supports equipment that has been, or will be, transferred as EDA or provided by DoD.

Evidence: a. WHA BPP, b. State Department FY 2004 Congressional Budget Justification.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: There is no evidence of design flaws. In the case of FMF for Colombia, Congress gave the Department authorization in 2003 to transfer FMF funds and merge them with ACI, to improve management of pipeline security program.

Evidence: a. Letters Of Agreement, b. CBJ, c. DSCA Web Based Planning Tool.

Program Assessment Rating Tool (PART)

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	83%	100%	53%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?**

Answer: YES Question Weight: 20%

Explanation: Recipients [individuals for IMET and units for FMF] are identified in Letters of Agreement between the USG and the recipient govt. All units and individuals are vetted for human rights. MILGRPs at posts develop plans to be appropriate to the country these are reviewed by SOUTHCOM, PM, and WHA.

Evidence: a. LOAs, b. CBJ, c. DSCA Web Based Planning Tool, d. Vetting cables, e. Congressional notifications and oversight ensure compliance.

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES Question Weight: 16%

Explanation: At the strategic level, the WHA 2005 BPP has goal papers and objectives for our program supported by FMF and IMET. In addition, SOUTHCOM and WHA posts (through the MILGRPs) maintain specific long-tem and annual objectives, for FMF supported activities in each country as part of the CSCP. It should be noted that the CSCP includes coutcomes and task that are supported by a variety of activities of which FMF and IMEt are but two. The capabilities, outcomes, and tasks estblished in the CSCP form the basis of the security objectives of the Mission Program Plans (MPP) and FMF requests submitted by posts and incorporated into the BPP.

Evidence: a. WHA BPP, b. State Department FY 2004 Congressional Budget Justification.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?**

Answer: YES Question Weight: 16%

Explanation: At the strategic level, ambitious and realistic targets through FY 2007 are established in the BPP. SOUTHCOM planning documents (TSCP and CSCP) have detailed longt-term outcomes, annual outcomes and annual tasks set through 2008. For example, the Ecuador CSCP identifies securing Ecuadors northern border with Colombia by 2006 as a goal.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?**

Answer: YES Question Weight: 16%

Explanation: Annual performance measures for FMF and IMET are in place at the regional (strategic) and country level. The country level objectives and targets (listed in the BPPs and CSCPs) are more detailed. The annual performance measures at the regional level track with Performance goals set BPP's Performance Goal Papers. The IMET program provides periodic reviews of student performance as an indicator of program effectiveness/efficiency.

Evidence: WHA BPP, Congressional testimony, mission program plans, DSCA Web Based Planning Tool. Student performance reviews.

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	
100%	83%	100%	53%	Moderately Effective

2.4 Does the program have baselines and ambitious targets for its annual measures?

Answer: YES — Question Weight: 16%

Explanation: Baselines and target development (as well as program execution) is decentralized (on a country and program basis). Additionally, FMF for WHA has seen a dramatic increase from $11M in 2002 to $114M for 2003. This increase includes many new programs. Baselines for several of the new programs are in development. Performance measures will be adjusted in accordance with relevant baselines. The largest program in FY 2003 ($93M for Counterterrorism) has a definitive goal and base line, while the baseline for Disruption of Criminal Organizations (regional maritime interdiction) is in development.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool. e. Colombia MPP f. Reports to Congress on the Cano-Limon Pipeline.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?

Answer: NA — Question Weight: 0%

Explanation: To ensure full host government cooperation, detailed Letters of Agreement are negotiated between the USG and the host government. The actual implementation of FMF programs occurs at MILGRPs at our posts. SOUTHCOM, the Bureau for Political Military Affairs, The Defense Security Cooperation Agency all participate in program management. All are fully committed to achieving the long-term goals. In addition, the US based education institutions that support IMET programs are full partners in the process. Key to the success of many of these programs is commitment by the host countries. Most notable in the WHA region is the commitment shown President Uribe of Colombia who has increased defense spending, established a new national security strategy, and commitment additional troops and new commanders to key programs funded under FMF.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool, e. SOUTHCOM Requirements Documents.

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?

Answer: NO — Question Weight: 16%

Explanation: Most formal evaluations of the regional FMF programs are conducted by State (PM and WHA), DoD, or SOUTHCOM. However, given the intense public scrutiny of security assistance programs in the Andes, there are many independent informal evaluations of US security assistance. These range from evaluations of US security policy sponsored by the Army War College to critics of our security policies in the region, such as The Center for International Policy and WOLA. Most external assesments of of FMF deal with the strategic or policy objectives that FMF support, such as the ability of Ecuador or Panama to secure their borders, rather than the FMF program that support those objectives. IMET student evaluations provide ample and periodic assessments of the IMET program. Information provided by the Government of Colombia and private companies are critical to the evaluation of our largest FMF program (Security for the Cano Limon Pipeline). The success of initial steps taken to protect the pipeline have validated the concept for securing the pipline.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?

Answer: NA Question Weight: 0%

Explanation: At the strategic level, the BPP and MPP identify our broad objectives and measures. The 2005 MPP identifies the goals and measures for FMF supported programs in Goal Papers on 1) Andean Counterdrug Initiative - Counterterrorism, 2) Andean Counterdrug Initiative, and 3) Increasing Maritime Interdiciton. Our 2004 and 2005 budget presentations further identified imporving the capacity of regional militaries to participate in peacekeeping and coalition operations as key FMF supported objectives. The WHA budget requests for FY 2003 and FY 2004 clearly established the outputs to meet the objectives listed in the BPP. At the country level, WHA decides, in coordination with posts, the Bureau for Political Military Affairs, and DoD which requests for funding support the Bureau's strategic goals and other USG foreign policy objectives. The country CSPS includes further details concerning the goals of individual FMF programs. The WHA budget presentation and Senior Review includes descriptions based on individual country funding requests and objectives, as well as regional (WHA wide) funding requests and objectives. There is not an exact dollar for dollar correlation between the country objectives and the regional objectives because any one country request may support more than one regional objective.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies?

Answer: YES Question Weight: 16%

Explanation: Coordination of IMET, INCLE, FMF, and DoD funded programs is stronger under the "new authorities" for Colombia. These authorities call for a unified campaign against narcotics and terrorism. Goals have been modified to the reflect the new authorities for Colombia. FMF goals are have improved as a result of increased use of video conferencing in the MPP reviews. The regional stability performance goals from the State/AID Strategic Planning Framework are in synch with the long-term and annual goals for FMF. The web based tool for security assistance

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?

Answer: YES Question Weight: 14%

Explanation: The MILGRPS, SOUTHCOM, and DSCA regularly collect and analyze information on program performance. In addition PM and WHA also review performance information. Some of these reviews are directly tied to regional objectives and targets while others are tied to specific country programs objectives and targets. At the MILGRP, SOUTHCOM, and DSCA level, the analysis leads lead to changes in training schedules, deployments etc. The results of the reviews conducted by PM and WHA are reflected in changes made to the programs in subsequent budget requests.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Toole. Results of the SOUTHCOM Colombia Assistance Visit.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight: 14%

Explanation: Letter of Offer and Acceptance is Government to government agreement that defines the terms and conditions in accordance with law; US grant funds are controlled and managed by USG organizations with USG oversight. Funds for IMET are closely monitored by the learning institutions, Posts, Congress and NGOs.

Evidence: a. USG financial reports, b. Program/financial management reviews, c. The AECA and FAA are governing authorities for program implementation.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 14%

Explanation: LOAs govern the pace of spending and ensure that funds are spent for the intended purpose. MILGRPs conduct end use monitoring. By the nature of the program IMET funds are spent in timely manner or will be reallocated.

Evidence: a. USG financial reports, b. Program/financial management reviews. C. The AECA and FAA are governing authorities for program implementation.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight: 14%

Explanation: For FMF funded cases and IMET funded training, the USG uses the same rules for the customer as it does for itself. On an annual basis SOUTHCOM reviews, and re-allocates, funding based upon programs status.

Evidence: a USG (DSCA) Policy Guidance.

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight: 14%

Explanation: Given the direct links between terrorism and transnational crime (especially illegal narcotics trafficking) there is extremely close coordination of programs funded under International Narcotics and Law Enforcement funding. For example, the effort to prevent terrorists attacks in Arauca Colombia includes $93M FMF (FY 2003) for the Colombian Army and several INCLE funded programs that support the police. Several FMF funded programs are designed to support other military assistance programs such as excess defense articles.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight: 14%

Explanation: LOAs are overseen by DFAS Denver and DSCA Comptroller as well as the MILGRP, PM, and SOUTHCOM. Implementation of the program is followed by MILGRP, PM, and SOUTHCOM.

Evidence: a. DFAS Reports

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 14%

Explanation: By allowing any number of partner agencies to simultaneously view and analyze the same data and recommendations, the Web Based Planning Tool has made the management of the FMF and IMET programs more efficient and transparent. Additionally, special provision in the authorization of Colombia's 2003 FMF allowed the Department to merge certain funds with ACI funds because both programs were supporting different programs (FMF protecting a key pipeline, ACI supporting narcotics objectives) with the same type of helicopter, and the ACI funding program was already well established.

Evidence: a. DSCA Web Based Planning Tool

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: SMALL EXTENT Question Weight: 20%

Explanation: The long-term and strategic annual goals outlined in the BPP have demonstrated adequate progress in achieving their goals -- 85% Civilian Ministers of Defense and terrorists attacks against the key pipeline are down by two-thirds. Moreover, with the exception of Colombia, military and political stability are strong in the region, and the situation in Colombia is improving, especially in the area supported by FMF. There is significant cooperation on a broad range of defense issues; seven Latin American countries joined the Coalition against Iraq, the US has routine access to four Forward Operating Locations in the region, and there has been demonstrable progress in creating Confidence Building Measures that reduce military tension.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: SMALL EXTENT Question Weight: 20%

Explanation: As noted earlier, with the marked increase in FMF from FY2002 to 2003, some annual performance goals are still in development. The largest program (80% of WHA's FY 2003 FMF) exceeded the annual performance goals.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: LARGE EXTENT Question Weight: 20%

Explanation: WHA conducted more rigorous interagency MPP reviews, relaying heavily on video conferencing to improve the quality and efficiency of the MPPs. This initiative has improved program efficiency. Improved coordination with DOD to ensure that funding is not duplicated, DOD's procurement process that minimizes cost through volume procurement, and the use of mobile education teams all improved program efficiency.

Evidence: WHA BPP, Mission MPPS, CBJ.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: YES Question Weight: 20%

Explanation: IMET is widely viewed as being among the most effective USG funded programs, and would compare favorable with any civilian scholarship program. FMF is the principle vehicle for providing US security assistance. There are no other comparable USG or private programs

Evidence: a. CBJ b. WHA BPPc. Congressional Testimony

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	83%	100%	53%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: SMALL EXTENT

Question Weight: 20%

Explanation: Various evaluations of the largest program (Projecting the Cano-Limon Pipeline In Colombia [80% of WHA's FY 2003 FMF]) clearly show that it has achieved its intended results.

Evidence:

-

a. Classified Cables, b. Reports from Government of Colombia.

PART Performance Measurements

Program: Security Assistance for the Western Hemisphere

Agency: Department of State

Bureau: Western Hemisphere Affairs

Measure: Number of terrorist attacks against the Cano Limon oil pipeline.This measures the ability of the Colombian Army to defend a high value target in difficult terrain distant from urban centers and normal support structure.

Additional Information: The single largest element of the WHA FMF program is to support activities to protect the Cano-Limon Pipeline

Measure Term: Annual

Year	Target	Actual
2001	170	1.7
2003	< 170	41
2004	< 50	
2005	< 25	

Measure: Detected maritime narcotics trafficking declines in the Caribbean and Eastern Pacific.

Additional Information: Narcotics trafficking is an indicator for the effectiveness of the Regional Maritime Interdiction program.

Measure Term: Long-term

Year	Target	Actual
2001	66 t.seized	Baseline
2002	117 t. seized	Baseline

Measure: Number of countries in the top 50 for in international peacekeeping activities

Additional Information: Indicates support for US policies and capability to conduct peacekeeping operations

Measure Term: Annual

Year	Target	Actual
2001	2	2
2002	2	2
2003	2	2
2004	2	

PART Performance Measurements

Program: Security Assistance for the Western Hemisphere

Agency: Department of State

Bureau: Western Hemisphere Affairs

Measure: Percentage Western Hemisphere assitance recipients countries that vounteer for peacekeeping or other coalition operations when requested.

Additional Information: Indicates support for US policies and capability to conduct coalition operations

Measure Term: Annual

Year	Target	Actual
2003	17%	24%
2004	17%	
2005	17%	
2006	17%	
2007	17%	

Measure: Number of Eastern Caribbean Countries participaing in joint multilateral Security Operations.

Additional Information:

Measure Term: Long-term

Year	Target	Actual
2003	bilateral operations	bilateral operations
2004		
2005		
2007	7	

Measure: Percentage of FMF and IMET recipients that participate in coalition operations, joint exercises, and or joint operations with the US when requested.

Additional Information: Indicates cooperation with the US on key defense issues.

Measure Term: Long-term

Year	Target	Actual
2003	> 75%	100%
2004	> 75%	

PART Performance Measurements

Program: Security Assistance for the Western Hemisphere

Agency: Department of State

Bureau: Western Hemisphere Affairs

Measure: Percentage of FMF and IMET recipients that participate in coalition operations, joint exercises, and or joint operations with the US when requested.

Additional Information: Indicates cooperation with the US on key defense issues.

Measure Term: Long-term

Year	Target	Actual
2006	> 90%	
2005	> 85%	

Measure: Percentage of FMF and IMET recipient countries that have civilians in senior defense leadership positions.This shows the impact of US programs supporting military subordination to civilian authority.

Additional Information: A key indicator of improving civil-military relations in the region is the presence of civilians in senior defense positions.

Measure Term: Annual

Year	Target	Actual
2001	> 75%	85%
2002	> 75%	88%
2003	> 85%	
2004	> 90%	

Measure: Percentage of FMF and IMET countries that are militarily stable.

Additional Information: Includes countries without coups and or significant casualties (More than 300) from armed conflict or terrorist attacks

Measure Term: Annual

Year	Target	Actual
2001	> 90 %	97%
2002	> 90 %	97%
2003	> 90 %	
2004	> 90 %	

Program Assessment Rating Tool (PART)

Program:	Security Assistance to Sub-Saharan Africa
Agency:	Department of State
Bureau:	African Affairs
Type(s):	Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	43%	83%	67%	

1.1 Is the program purpose clear? Answer: Yes Question Weight: 20%

Explanation: Sub-Saharan Africa security assistance programs are designed to promote peace and stability, develop indigenous African peacekeeping and humanitarian response capabilities, develop more professional African militaries, and develop relationships between US and African militaries.

Evidence: Congressional Budget Justification (CBJ) for Foreign Operations Appropriations, FY 2001, FY 2002, FY 2003. FAA legislation, AF BPP, and State Performance Plan.

1.2 Does the program address a specific interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: Security assistance programs are designed to promote peace and stability, develop indigenous African peacekeeping and humanitarian response capabilities, develop more professional African militaries, and develop relationships between US and African militaries. These programs are particularly needed in Sub-Saharan Africa, which is a region beset with conflict and instability. Ongoing or recent conflicts include Ethiopia/Eritrea, Sierra Leone, Democratic Republic of the Congo, Burundi, Cote dIvoire and Liberia.

Evidence: Congressional Budget Justification (CBJ) for Foreign Operations Appropriations, FY 2001, FY 2002, FY 2003. FAA legislation, AF BPP, and State Performance Plan.

1.3 Is the program designed to have a significant impact in addressing the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: Programs are designed to address specific deficiencies in the African militaries that, if successfully accomplished, will increase their capabilities and professionalization and enable them to perform peacekeeping and stabilizing functions in the continent. Funds are often used to provide financial support or support in kind to ensure viability of peacekeeping operations. Without this support, the peacekeeping mission would have to curtail operations, risking the collapse of the entire peace process.

Evidence: Reports and observations from the UN, NGOs, international agencies, EU partners, embassies, independent critiques, and official discussions.

1.4 Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)? Answer: Yes Question Weight: 20%

Explanation: Other donor countries are the only other major legitimate source of funding for security assistance. It does not appear that U.S. funding is duplicative of related U.S.G. or foreign donor efforts. These programs are well coordinated with related programs through U.S. interagency and multilateral meetings that include officials from the U.S., other donor countries, and representatives from the African military organizations receiving assistance.

Evidence: State cables reporting on coordination efforts.

Program: Security Assistance to Sub-Saharan Africa
Agency: Department of State
Bureau: African Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	43%	83%	67%	

1.5 Is the program optimally designed to address the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: The program definition for this exercise includes Peacekeeping Operations (PKO), Foreign mIlitary Financing grants (FMF), and International Military Education and Training (IMET). These programs are designed and implemented in very different ways and attempt to address different needs and areas within a country. There is no conclusive evidence that another approach, other than the current legislated programs, would yield greater results. In addition, AF Mission Performance Plans (MPP) and the AF BPP were dramatically improved in the 2004 cycle to better translate overarching conflict resolution/mitigation goal into objective strategies and tactics clearly linked to outcome based performance indicators. State plans to begin using performance based contracting for PKO funded programs in the upcoming fiscal year.

Evidence: CBJs, MPPs and BPPs.

2.1 Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program? Answer: Yes Question Weight: 14%

Explanation: UPDATED FOR 2005: The long term goals and annual targets have been rewritten for these programs in the African Bureau Performance Plan for 2005. The goals and targets have been shared with other bureaus, departments and the embassies in the applicable countries. The revised goals focus on outcomes and meaningfully reflect the purpose of the program. Problems with performance goals that were noted in the 2004 PART review have been addressed.

Evidence: FY 2005 Africa Bureau Performance Plan.

2.2 Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals? Answer: Yes Question Weight: 14%

Explanation: The revised Bureau Performance Plan includes new annual measures designed to track the performance of U.S. trained military units in Peacekeeping activities and in their involvement in internal political activities. African militaries involvement in internal political affairs is being tracked to ensure that military leaders understand the importance of civilian control and political non-interference.

Evidence: FY 2005 Africa Bureau Performance Plan.

2.3 Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program? Answer: No Question Weight: 14%

Explanation: Program partners are required to report on performance, but this does not appear to be directly linked to the programs annual and long-term goals. The Department should refine their reporting requirements for program partners in order to ensure that they are collecting data that allows them to directly evaluate programs success related to performance goals.

Evidence: Weekly reports for USG contractors (ICI Helos, PAE Depot, PAE Sudan, AIRSCAN Surveillance Platform) as well as training/after-action reports. After action reports from U.S. military and from contractors for every ACRI/ACOTA exercise.

Program: Security Assistance to Sub-Saharan Africa
Agency: Department of State
Bureau: African Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	43%	83%	67%	

2.4 **Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?** Answer: Yes Question Weight: 14%

Explanation: Programs are reviewed (at the account, country and regional levels) and coordinated at the embassy level, major military headquarters, and at the departmental levels. For example, State is working with Defense and other interagency staff to develop country blueprints under the African Contingency Operations Training and Assistance (ACOTA) program to better coordinate all security assistance elements. At EUCOM and CENTCOM, security assistance programs for specific countries are integrated annually into the Theatre Security Cooperation Plan with activities and resources available from other -- primarily US military -- budget resources.

Evidence: ACOTA country blueprints. State cables that report on coordination efforts.

2.5 **Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?** Answer: Yes Question Weight: 14%

Explanation: Independent evaluations are not performed for all of these programs on a regular basis. However, the planning and budgeting elements in State and Defense regularly review country programs and both IMET and FMF programs are regularly assessed and evaluated by the country team and the interagency. A number of independent or semi-independent reviews have been carried out for a number of specific projects. The State Department's Inspector General (IG) conducted a general inspection of the entire AF Bureau in 2002, in which they assessed the purpose and performance of AF security assistance programs. In the coming year, the program managers will work with RM to identify resources to conduct independent evaluations of these programs. While there are not regularly scheduled independent reviews of all projects, there have been sufficient reviews on an "as needed" basis to merit a yes. However, in future years, the Department should demonstrate that 1.) they have a schedule for carrying out evaluations of all programs on a regular basis; 2.) these inspections are sufficiently independent (RM or the IG within State, or an outside entity); and 3.) that these inspections specifically evaluate performance as related to the programs goals in MPP and BPP documents. In addition, the programs performance goals would need to qualify for a "yes" in Sections II and IV, questions 1 and 2.

Evidence: Review of the ACRI program conducted by the U.S. Army Peacekeeping Institute. State cable providing conclusions from a review of a program to train a Guinean Battalion conducted by State and Defense elements and the International Red Cross.

2.6 **Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?** Answer: No Question Weight: 14%

Explanation: UPDATED FOR 2005: In general and for these specific programs, State Bureau Performance Plans and Mission Performance Plans do not tie resource decisions to annual performance targets.

Evidence: FY 2005 Africa Bureau Performance Plan

Program: Security Assistance to Sub-Saharan Africa
Agency: Department of State
Bureau: African Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	43%	83%	67%	

2.7 **Has the program taken meaningful steps to address its strategic planning deficiencies?** Answer: Yes Question Weight: 14%

Explanation: Steps have and will continue to be taken to address strategic deficiencies that existed in the past. For example, the transformation of the African Crisis Response Initiative (ACRI) program to ACOTA was undertaken to address flaws in the program. Through interagency and multilateral discussions, several planning deficiencies of peace support operations training have been addressed and corrected. AF has been able to take the lessons learned from ACRI and Operation Focus Relief (OFR) and build a stronger and more useful program. Information learned through this process has helped to inform other long term strategies for enhancing peace support operations in the region. More broadly, this year's BPP and MPP started to implement better strategic planning, linking its measures of effectiveness to program performance, so that program elements are now better aligned to help meet performance goals. Lastly, the AF Foreign Operations primer cable is attempting to address some of the shortfalls at posts and the program managers are receiving strategic planning training.

Evidence: CBJ for FY 2003 addresses transformation of ACRI program to ACOTA.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: Yes Question Weight: 16%

Explanation: Program managers receive regular reports on program implementation and performance, and this information is used to manage the programs. The Department should, however, work to improve the link between these reporting requirements and specific goals set out in program performance plans (such as the MPP). Information gathered should be included in an annual performance report (or within the MPPs and BPPs) in a way that compares the annual and long-term goals to the programs actual performance.

Evidence: Weekly reports for USG contractors (ICI Helos, PAE Depot, PAE Sudan, AIRSCAN Surveillance Platform) as well as training/after-action reports. After action reports from U.S. military and from contractors for every ACRI/ACOTA exercise.

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?** Answer: No Question Weight: 16%

Explanation: State acquisition contract officers are responsible for and held accountable for contract performance, etc. However, it does not appear that performance management contracts are used for program managers or that program managers are held accountable by some other means for achieving the key program results that are defined by agency performance plans. Both AF and PM are addressing deficiencies in the this area, however. For example, AF is in the process of hiring a full-time program manager.

Evidence: Contract evaluation criteria. Establishment of program manager position.

3.3 **Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: Yes Question Weight: 16%

Explanation: Both the Political Military (PM) and Africa (AF) Bureaus at the State Department track all obligations to ensure funds are obligated in a timely manner and for the intended purpose. Obligation of funds is mandated by legislation. Presently, PM has an office-based tracking system to track information on obligations and allotments. The program bureau is working with the Resource Management bureau and other agency staff to develop a better approach to their financial management requirements. AF is in the process of adding a Program Manager position to better ensure efficient obligation of funding.

Evidence: PM obligation reports and SF 133 reports provide evidence. FMF apportionment requests.

Program: Security Assistance to Sub-Saharan Africa
Agency: Department of State
Bureau: African Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	43%	83%	67%	

3.4 **Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: Yes — Question Weight: 16%

Explanation: All new contracts require a rigorous competitive bidding process, and the State program managers are both extremely involved with this process and empowered to ensure that the appropriate decisions are made. There is an exception to the competitive bidding process in cases where there is an urgency override. Also, in some cases, existing contracts are extended without a competitive bidding process.

Evidence: Language in contracts and evaluation documents.

3.5 **Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?**

Answer: N/A — Question Weight: 0%

Explanation: UPDATED FOR 2005: This question was deleted from the 2005 PART, so it did not seem appropriate to include it in the 2005 reassessment.

Evidence:

3.6 **Does the program use strong financial management practices?**

Answer: Yes — Question Weight: 16%

Explanation: UPDATED FOR 2005: The programs implemented by the Defense Security Cooperation Agency (DSCA) have procedures to ensure that payments are made properly for the intended purposes. Similar controls are in place on the State side through the contracting, certifying and disbursing process. PM has instituted a process by which all three accounts will be reviewed on a quarterly basis. This review will involve participants from all bureaus and agencies involved in the management of these programs to include AF, PM, RM, DSCA, and OSD. The program managers intend to work closely with State's Resource Management Bureau to further explore, evaluate and improve financial management practices.

Evidence: DSCA audit reports and financial planning documents. PM's Quarterly Management Reviews.

3.7 **Has the program taken meaningful steps to address its management deficiencies?**

Answer: Yes — Question Weight: 16%

Explanation: AF is in the process of establishing a program manager. State as a whole has taken serious steps to improve their performance planning process and documents. Senior management in the most recent reviews has imposed the necessity for tighter expectations in the department to establish performance goals and indicators that would demonstrate progress toward both annual and long-term goals and associated costs.

Evidence: Position description for program manager. AF Foreign Operations primer to improve posts understanding of Foreign Operations budget.

4.1 **Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?**

Answer: large extent — Question Weight: 25%

Explanation: UPDATED FOR 2005: The revised long term and annual goals show clear progress being achieved.

Evidence: FY 2005 Africa Bureau Performance Plan

Program: Security Assistance to Sub-Saharan Africa
Agency: Department of State
Bureau: African Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	43%	83%	67%	

4.2 **Does the program (including program partners) achieve its annual performance goals?**
Answer: Yes — Question Weight: 25%

Explanation: UPDATED FOR 2005: The revised long term and annual goals show clear progress being achieved.

Evidence: FY 2005 Africa Bureau Performance Plan

4.3 **Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?**
Answer: No — Question Weight: 25%

Explanation: Performance goals do not demonstrate achievement of efficiencies as measured in dollars over time (or some other quantifiable measure).

Evidence: FY 2005 Africa Bureau Performance Plan

4.4 **Does the performance of this program compare favorably to other programs with similar purpose and goals?**
Answer: n/a — Question Weight: 0%

Explanation: None of the measures in the common measures program relate to this program.

Evidence:

4.5 **Do independent and quality evaluations of this program indicate that the program is effective and achieving results?**
Answer: Yes — Question Weight: 25%

Explanation: Two particular reviews demonstrated that programs were thoroughly reviewed and achieving results.

Evidence: Review of the ACRI program conducted by the U.S. Army Peacekeeping Institute, The Fund for Peace. State cable providing conclusions from a review of a program to train a Guinean Battalion conducted by State and Defense elements and the International Red Cross.

PART Performance Measurements

Program: Security Assistance to Sub-Saharan Africa

Agency: Department of State

Bureau: African Affairs

Measure: U.S. trained African military units are available to support peace keeping/humanitarian missions.

Additional Information: Target:By FY 2008 over 85% of African military units deployed in peace keeping/humanitarian response situations will have received specialized training and equipment from the United States. Actual Progress achieved toward goal:FY 2003: Approximately 55% of African military units deployed had been trained by the U.S.

Measure Term: Long-term

Year	Target	Actual
2003	55%	55%
2008	>85%	

Measure: African militaries are capable of sustained peace keeping and humanitarian operations.

Additional Information: Target:By FY 2009 African countries which have received military assistance for five consecutive years since FY 2002 will have not participated in any extra-constitutional change of government. Actual Progress achieved toward goal:FY 2003: No U.S. trained African military units have attempted or supported an extra-constitutional change of government.

Measure Term: Long-term

Year	Target	Actual
2003	none	none
2004	none	
2005	none	
2006	none	
2009	none	

Measure: U.S. trained African military units are more professionally led and capable of operating with U.S. forces.

Additional Information: Target:By 2008 U.S. trained units will have operational readiness to execute Chapter 6 or 7 UN Peacekeeping Missions. Actual Progress achieved toward goal:FY 2002 1971 African military received training from the U.S.

Measure Term: Long-term

Year	Target	Actual
2002	1,971	1,971

PART Performance Measurements

Program: Security Assistance to Sub-Saharan Africa

Agency: Department of State

Bureau: African Affairs

Measure: African militaries are capable of sustained peace keeping and humanitarian operations.

Additional Information: By 2004, 65% of African units deployed to peace support and humanitarian response operations have beeen trained by the US.

Measure Term: Long-term

Year	Target	Actual
2002	33%	33%
2004	65%	

Measure: Train African military personnel.

Additional Information: In 2004, train 2100 individuals.

Measure Term: Annual

Year	Target	Actual
2002	1,872	1,872
2004	2,100	2,100

Program Assessment Rating Tool (PART)

Program: Support for Eastern European Democracy & Freedom Support Act
Agency: Department of State
Bureau: EUR/ACE
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	38%	50%	25%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: The Freedom Support Act (FSA) and the Support for Eastern European Democracy (SEED) accounts provide most of the most non-military U.S. assistance to Eastern Europe and the Former Soviet Union. Both accounts are administered by one Coordinator at the Department of State. The Office of the Coordinator is the unit of analysis for this PART. The authorizing legislation establishing SEED states its purpose is to provide cost-effective assistance to Eastern Europe during its transition to support the development of private enterprise, labor market reform and democratic institutions. FSA authorizing legislation defines its purpose as support for the peaceful transition of the former Soviet Union to stable, democratic nations with free market economies. The Executive Orders establishing the Coordinator state its role is to allocate resources among various implementors, design overall assistance strategy, ensure program and policy coordination, ensure consistency among all USG assistance programs, ensure proper management, implementation and oversight, and increase the effectiveness of US assistance.

Evidence: a. Authorizing legislation for FSA & SEEDb. Executive Orders

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 20%

Explanation: FSA and SEED accounts and the Office of the Coordinator were established in order to provide a cost-effective and cohesive bilateral assistance strategy for these regions during their transition. The administrative structure and regional accounts were intended to be temporary and to facilitate the relatively short-term transition of these countries. Over ten years later, they are still in existence as the transitional period in these countries has taken much longer than predicted. State Department asserts that the Coordinator's office creates an effective and important institutional link between U.S. foreign policy objectives in FSA and SEED regions and U.S. assistance programs. While this may be true, other assistance programs to regions of strategic interest, such as Africa and the Middle East, combine these objectives without regional accounts or a Coordinator. Since the transition period for many of the countries in this region appears to be similar to other developing countries, it is reasonable to ask whether and how long a Coordinator and special regional accounts will continue to be necessary.

Evidence: a. Authorizing legislation for FSA & SEEDb. Executive Orders

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight: 20%

Explanation: FSA- and SEED-funded activities do not duplicate other U.S. assistance because the Office of the Coordinator is responsible for programming the majority of non-military assistance to each region. In the few areas where other agencies contribute resources, such as in humanitarian assistance or for Organization for Security and Coorperation in Europe (OSCE), there are clear delineations of responsibility. For example for OSCE, SEED funds support specific and discrete projects that Peacekeeping Operations (PKO) funds cannot support, and assistance is organized in coordination with Embassies and State/Political Military Bureau which administers PKO funding. In addition, U.S. embassies are responsible for coordinating with other multilateral and bilateral donors on the ground. Coordinator Office stays in regular contact with other bilateral donors embassies in Washington on assistance coordination, and makes regular visits to Brussels for coordination with the European Union (EuropeAid) in the region.

Evidence: a. Annual Reports: (FSA: Section II of the FY2002) (SEED: Section II of January 2003 Report)b. Intl donor conference materialsc. Embassy Yerevan - Donor Coordination Spreadsheet example

Program: Support for Eastern European Democracy & Freedom Support Act
Agency: Department of State
Bureau: EUR/ACE
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	38%	50%	25%	

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%

Explanation: Since 1991, the mandate of the Coordinator's Office has evolved, in an attempt to streamline coordination and make it more effective. For example, in 2001, the SEED and FSA accounts were merged under one Coordinator in order to achieve efficiencies between and within the accounts. However, there is no strong evidence that regional accounts are the most effective means of programming assistance funds. For example, it could be more cost-effective to the USG to program all law-enforcement-related resources through the INL account, which then would be forced to determine what its global priorities are and allocate resources accordingly.

Evidence: a. FSA/SEED merger memob. Executive Orders

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: Because the U.S. has been a major donor in the region, it is likely many of the activities that SEED and FSA have funded would not have occured without U.S. assistance. In FSA countries, because of concerns about regional governments ability to manage resources, assistance funds largely do not flow through local Treasuries. Instead, other federal agencies, NGOs, and private contractors implement the assistance programs to ensure proper targeting. For example, the Coordinator in 1996 in shifted the strategic focus of U.S. assistance in Russia away from central government reform and towards "grassroots" reform efforts. Changes were made in budget allocations as a direct result of the new strategy. It is not clear, however, that the Coordinator chooses between implementors or programs in order to reach the highest practicable percentage of target beneficiaries. In addition, as often expected in a foreign assistance program, allocation decisions are often made on a foreign policy basis rather than on a results basis.

Evidence: a. November, 2000 GAO Report on Russia Assistance (page 176)b. Examples of inter-agency sector strategies e. Regional strategy and sector strategy examples d. Russia Assistance Review Memos re: budget shifts

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 12%

Explanation: The Coordinator's office has recently developed long-term goals for regional measures for the FSA and SEED programs. While program management and budgeting are concentrated in this office, until now individual agencies and the Embassies have been responsible for developing measurement indicators and targets for each country program (i.e. USAID country strategies and Strategic Objectives). Without measures at the Coordinator level, it has been difficult to assess the overall performance of the FSA and SEED programs. In addition, it is not clear how the office allocates resources among countries and between implementers. Europe (EUR) Bureau Performance Plan (BPP) and Mission Performance Plans (MPPs) lay out some "outcome-oriented" performance goals, but it is not clear that these documents are used by the Coordinator's office to manage and allocate SEED and FSA funds.

Evidence: a. Performance Goals documentation for both FSA and SEEDb. Bureau Performance Planc. Mission Performance Plansd. USAID's Country Monitoring Reporte. Russia Performance Measures and Russia Graduation Strategy Outline (draft)

Program: Support for Eastern European Democracy & Freedom Support Act
Agency: Department of State
Bureau: EUR/ACE
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	38%	50%	25%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 12%

Explanation: The Coordinator's office has recently developed targets for its regional long-term performance benchmarks. While State BPP and MPPs lay out targets for long-term performance goals, several problems remain. Many of these do not specify the specific indicator used to asses progress, while for others the causal link between USG programs and the indicator are tenuous. In addition, there is little evidence that program managers used these goals and targets to design and manage their programs and make budget and implementor decisions. For these reasons, the development of long-term measures and targets remains an ongoing process. The Office of the Coordinator will continue to refine its regional as well as country-level long term measures and targets and will finalize these plans by November of 2003. These new long term and annual performance measures will then be incorporated into State's BPPs and MPPs.

Evidence: a. Bureau and Mission Performance Plansb. Presentations to OMB/IAD in September and October 2003 c. Russia Performance Goalsd. Russia Graduation Strategy Outline (draft)e. SEED country graduation materialsf. USAID Monitoring Country Progress report, June, 2002g. USAID E&E Graduation Criteria (draft)h. USAID Graduation Considerations Paper, March, 2003

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: NO Question Weight: 12%

Explanation: The Coordinator's office is still in the process of establishing annual performance measures that directly support long-term goals for all FSA and SEED programs. In the past, it has relied on implementing agencies to develop these for their activities. In response to OMB's request, the Coordinator's office worked with implementing agencies to develop more detailed annual performance measurement tools for the Russia program, and utilized agencies first reports on these targets in the FY03 budgeting process. The office is working to expand this to the rest of the FSA and SEED regions during this fiscal year. It is not evident how the annual performance goals from USAID/Europe & Eurasia (E&E) and the joint USAID/State Strategic Plan have been or will be used by the Coordinator.

Evidence: a. Russia Performance Measures - Agency Reportsb. E&E Performance Goals from the Joint USAID/State Strategic Frameworkc. examples of USAID documentationd. Presentations to OMB/IAD in September and October 2003

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight: 12%

Explanation: The Coordinator's office has not yet established baselines or quantified targets since it has not established annual performance measures at the Coordinator's level. USAID's performance measurement tools utilize baselines and ambitious targets. Other agencies baselines are simpler, but no less ambitious. Despite these individual agency targets, it is not clear that the Coordinator has used these to measure annual or long-term progress or to design a prorgam or allocate funds. The Coordinator's office has committed to developing such measures and targets during FY 2004, which should result in improvements in strategic planning.

Evidence: See 2.3

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: NO Question Weight: 12%

Explanation: Because long-term and annual performance measures and targets that apply to every agency that receives FSA and SEED funds are still under development, it is impossible to say that all partners contribute to and work toward the goals. The Coodinator's Office currently asks agencies to submit, with their annual budget requests, an explanation of how their program plans support mission priorities and country assistance priorities (where a Country Assistance Review has been completed); however, the fact that goals and targets are not in place at the Coordinator's level dilutes the usefulness of the individual implementor reports. Furthermore, there are no documents that hold implementors accountable to the Coordinator for results to be achieved with each tranche of funds, or that specify the consequences of failing to achieve results. As mentioned above, measures and targets covering the entire SEED and FSA region are under development. We fully expect that development of such measures and targets will result in an overall improvement in this area of strategic planning.

Evidence: a. Agency annual budget request documentation

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: NO Question Weight: 12%

Explanation: The SEED and FSA programs have not been the subject of regularly scheduled and independent evaluations. Currently there is no comprehensive schedule for FSA and SEED-wide evaluations, nor is there a master schedule of all agencies planned evaluations. Many FSA and SEED programs have been the subject of evaluations conducted through the implementing agencies regular policies and processes; however, it is not clear if these are independent. Also, two GAO evaluations (1995 and 2000) have assessed the FSA program more broadly, including the role and effectiveness of the Coordinator's Office. Other GAO reports have addressed regional or sector-specific activities (Central Asia and Law Enforcement for example). The Coordinator's office has sporadically called for independent evaluations, using private consultants, on programmatic themes, such as the Regional Initiative in Russia (1999) and Legal Reform Assistance in Russia (1996). USAID's programs are regularly evaluated at the mission, regional bureau and agency level by independent sources.

Evidence: a. GAO report listb. USAID inventory of independent evaluationsc. ECA inventory of independent evaluationd. list of USDA evaluationse. list of CRDF evaluationsf. USAID Armenia Evaluation Agenda for 2002g. USAID E&E Evaluation Agendah. USAID FY2002 Evaluation Agendai. Regional Initiative/Russia Summary Evaluation Report, March, 1999 j. Russia Food Aid Needs Assessment Summary

Program: Support for Eastern European Democracy & Freedom Support Act
Agency: Department of State
Bureau: EUR/ACE
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	38%	50%	25%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight: 12%

Explanation: The BPP does not include long-term or annual measures and targets, nor does it tie resource needs to annual performance targets. In addition, the FSA and SEED programs do not have any other document that links resources to annual and long-term performance goals. For FSA programs, the Coordinator's Office has increasingly evaluated each agency's budget request based on information that agencies provide on program results, plans and objectives for the year. Guidance for preparing budget presentations to the Coordinator requires a presentation of financial resources, including unobligated funds from prior years and pipelines (obligated but unspent funds). However without high level performance measures for both SEED and FSA, it is impossible for budget requests and fund allocations to be explicitly tied to the accomplishment of the annual and long term goals. For example, there are no documents that hold implementors accountable to the Coordinator for results to be achieved with each tranche of funds, or that specify the consequences of failing to achieve results. In addition, budget requests and funding decisions are more often tied to foreign policy considerations and/or are based on the level of funding received in the prior year. Finally, the Coordinator's office does not make clear to OMB the impact of annual funding decisions on expected performance and explain why the requested funding level is appropriate to achieve desired annual goals. The development of annual and long-term measures and targets likely will result in an improvement in this area.

Evidence: a. Annual budget request documentationb. EUR/ACE budget cycle outlinec. OMB FY04 Budget Hearing materials

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 12%

Explanation: The Coordinator's Office has recognized its strategic planning deficiencies and is attempting to correct them. It has implemented a trial run on new country-specific performance measures in Russia, and is working to develop a reasonable set of region-wide measures for FSA and SEED. They are working to implement such a system of performance measures during this fiscal year; however, it has not yet been completed. Also, the Coordinator's Office implemented a more structured and consistent process among all FSA agencies before the beginning of the current fiscal year for submitting and reviewing annual budget requests. The Coordinator is undertaking a similar process on the SEED side for FY 2004 funds. The Coordinator's Office created and filled a new position in the past year that is responsible for Program Review and Evaluation.

Evidence: a. Russia performance measures documentsb. Annual budget review documents

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: NO Question Weight: 10%

Explanation: While, the Coordinator's office requires that agencies receiving FSA and SEED funds provides quarterly and annual reports on program expenditures and program results, these reports do not provide information on how agencies are meeting performance measures at the Coordinator level and do not include baseline data, which are under development. Furthermore, it has not been transparent how the Coordinator uses this data to adjust program priorities, allocate resources, or take other appropriate management actions.

Evidence: a. Annual transfer letter example from Coordinator to agencies b. Quarterly reporting examples

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: NO — Question Weight: 10%

Explanation: Because baseline data and performance measures at the Coordinator's level have not been applied to all agencies that implement SEED and FSA programs, it has been impossible to hold all program partners accountable for performance results.

Evidence: a. Annual budget review documents

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES — Question Weight: 10%

Explanation: FSA and SEED funds are two-year funds, and the majority of funds are obligated in the first year. USAID carryover, for example, is under 10%. In a step implemented during the FY 2004 budget preparation process for FSA funds, the Coordinator's office requests detailed information on obligations, expenditures (and pipelines), as a part of its annual budget review process. Any inappropriate pipelines will have a corresponding impact on the budgeting of new funds, according to the Coordinator's office. For example, in FY03, the Coordinator's office reduced the FSA budgets for NRC, Treasury, BISNIS and Eurasia Foundation in order to facilitate the spend-down of pipelines. There is no similar process on the SEED side for reporting actual expenditures, comparing them against the intended use, and taking timely and appropriate actions to make corrections when funds are not spent.

Evidence: a. Annual budget review documents for FSA indicate carryover and pipelines.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: NO — Question Weight: 10%

Explanation: Procedures for assessing efficiencies and cost effectiveness are not in place or consistently applied across the agencies that implement SEED and FSA programs. There is no evidence that the Coordinator's office looks for cost savings in choosing implementers.

Evidence: NO EVIDENCE

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: YES — Question Weight: 10%

Explanation: The Office of the Coordinator is responsible for programming the majority of non-military assistance to each region. In the few areas where other USG agencies contribute resources, such as in humanitarian assistance or for OSCE, there are clear delineations of responsibility. For example for OSCE, SEED funds support specific and discrete projects that PKO funds cannot support, and assistance is organized in coordination with Embassies and State/RPM which administers PKO funding. In addition, U.S. embassies are responsible for coordinating with other multilateral and bilateral donors on the ground. Coordinator Office stays in regular contact with other bilateral donors embassies in Washington on assistance coordination, and makes regular visits to Brussels for coordination with EU (EuropeAid) in the region.

Evidence: a. Annual Reportsb. Intl donor conference materialsc. Embassy Yerevan - Donor Coordination Spreadsheet example

Program: Support for Eastern European Democracy & Freedom Support Act
Agency: Department of State
Bureau: EUR/ACE
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	38%	50%	25%	

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight: 10%

Explanation: State Department has deployed a new effective financial management system, compliant with federal system requirments. Coordinator's office reviews implementing agencies budgets and program reports for FSA programs (not for SEED) on activities and expenditures to ensure that funds are being obligated in a timely manner and used effectively for the intended purposes. USAID's E&E bureau utilizes a data collection and reporting system that meets statutory reporting requirements. While there is no recent evidence that funds were used for any other than their intended purpose, funds are often not obligated in a timely manner due to a cumbersome budget and apportionment process. The Coordinator's office has not implemented OMB suggestions to attempt to deal with this problems (i.e. doing 1 transfer apportionment at the beginning of the fiscal year, and then adjusting).

Evidence: a. Quarterly report examplesb. Pipeline for each countryc. 2002 Performance and Accountability Report

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 10%

Explanation: The Coordinator's office has taken some steps towards developing a system of program management by developing performance measures for Russia and committing to developing long-term measures for SEED and FSA in the FY 2005 budget request. The Coordinator's office has attempted to streamline and accelerate the funds transfer process for all accounts that are jointly managed by State and USAID; however, the focus of this has tended to be on offices outside of its own. For example, in May 2003 the Coordinator's Office convened a meeting with OMB, State/RM and USAID to identify and correct procedural problems and bottlenecks. Finally, the recent reorganization of the office achieved a number of management efficiencies by merging two offices into one (i.e. reduction of staff, creation of a budget unit).

Evidence: a. Adams memo to OMB, State/RM and USAID re: efforts to improve transfer process b. Reorganization of EUR/ACE Memo

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?** Answer: NO Question Weight: 10%

Explanation: Agencies receiving FSA and SEED funds make grant awards based on clear and transparent competitive processes, and always according to the procurement regulations of each agency. However, less than 95% of overall grants are awarded on a competitive basis. Over 5% of USAID's procurement funding is on a non-competitive basis through unsolicited proposals, certain Congressional earmarks, and activities with specific competition waivers. The merit of the proposed use of all grants, except those specifically mandated by Congress, is assessed in relation to other potential uses of the funds. Most grantees compete for funding pursuant to a request for applications (RFA) or issuance of an annual program statement (APS) which describes the objectives of the award. Each award is supported by an approval memorandum that documents how decisions were made and how the requirements were met However, it is not clear that the Coordinator's office also awards the majority of its grants through a competitive process.

Evidence: a. USAID Annual Program Statement - Incorporating Values Programb. Federal Acquisition Register Section 6; ADS 300: Grants and Cooperative Agreements

Program: Support for Eastern European Democracy & Freedom Support Act
Agency: Department of State
Bureau: EUR/ACE
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	38%	50%	25%	

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 10%

Explanation: The Coordinator's office provides little direct oversight of its implementers grantees. Instead, once allocations are made, implementors (such as USAID) manage their own programs directly. USAID monitors its awardees via certified activity managers. Standard provisions for grant agreements typically require the awardee to collect relevant records and to provide periodic progress and financial reports to USAID. These provisions also provide authority for USAID to audit the grant and to have access to all relevant records for at least three years after the final disbursement of funds. Activity managers must attest to site visits or demonstrate other evidence of activity knowledge before allowing payments to the awardee. All agencies receiving FSA and SEED funds are required to submit to periodic program and financial audits through their Inspector General Offices.

Evidence: a. USAID policy guidance on Grantee Informationb. Annual transfer letter example from Coordinator to agencies

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: NO Question Weight: 10%

Explanation: The Annual Reports on SEED and FSA produced by the Coordinator's Office are publicly available, but do not include high level performance measures, and data is not disaggregated at the grantee level. While USAID/E&E receives quarterly performance reports from grantees and contractors, and aggregates the data reported in the Congressional Budget Justification, this performance information does not provide evidence for all FSA and SEED competitive grants and is not compiled by the Coordinator, the program manager for SEED and FSA.

Evidence: a. Annual Reports - SEED and FSA

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight: 25%

Explanation: The Coordinator's office has recently put in place long-term regional performance measures, and in the final stages of developing country-level long term measures. Because these measures are new, it is difficult to say whether adequate progress has been made in acheiving long-term performance goals. It is nonetheless relevant to note that the graduations of 8 SEED countries and planned graduation of additional SEED and FSA countries from assistance and significant progress on European integration of the 8 graduated SEED countries indicate that the USG has achieved important objectives in the SEED and FSA regions. Nevertheless, SEED and FSA were designed to be short-term programs that would support the development of free market economies and democratic governments in Europe and Eurasia. The overall transition has been much slower than anticipated and results have been mixed. To better assess the progress of FSA and SEED programs in assisting these countries in meeting their growth trajectories, the Coordinator will refine and implement the recently developed long term regional and country-level measures over the course of the next fiscal year.

Evidence: a. EUR BPP b.USAID's Monitoring Country Progress Report

Program: Support for Eastern European Democracy & Freedom Support Act
Agency: Department of State
Bureau: EUR/ACE
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	38%	50%	25%	

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: NO Question Weight: 25%

Explanation: There are not yet annual goals for FSA and SEED set at the level of the Coordinator. The BPP goals outline in the Measures tab are not specific enough to assist program managers in planning and implementing these programs. Furthermore, there is no evidence of how the Coordinator uses the BPP to guide its funding and program management decisions. It is heartening to note that, as mentioned in previous sections, the Coordinator's Office is in the process of developing annual and long term goals for all of FSA and SEED programs. OMB expects to see an improvement in the ability to demonstrate results once these are developed.

Evidence: a. USAID mission annual reportsb. Russia performance measures documentsc. annual budget review documents

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: SMALL EXTENT Question Weight: 25%

Explanation: Implementing agencies are held accountable to their annual budgets and program plans through review of quarterly reports and review of program performance and results that takes place during the annual budgeting process. At USAID, competitive bidding and evaluations of contractor performance are conducted at least annually by contracting officers. There is no evidence to suggest that the Coordinator has demonstrated improved efficiencies or cost effectiveness over the prior year, or that State conducts competitive bidding for funds it programs.

Evidence: a. USAID mission annual reportsb. annual budget review documents

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: There are no other comparable examples of this kind of coordination mechanism to compare to the SEED and FSA Coordinator's office.

Evidence: NA

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: SMALL EXTENT Question Weight: 25%

Explanation: Independent evaluations for USAID and ECA, the two largest implementers of FSA and SEED funds, have indicated that these programs have achieved some results. To demonstrate a specific link between the programs and results, there is a need to do more independent evaluations of other agency programs and to articulate clear measurable long term and annual goals for all implementers.

Evidence: See 2.6

PART Performance Measurements

Program: Support for Eastern European Democracy & Freedom Support Act

Agency: Department of State

Bureau: EUR/ACE

Measure: FSA/Improvement in indicators of more effective law enforcement and rule of law.

Additional Information: Indicators measure 1) the number of prosecutions from bi- or multilateral cooperation in all regions, 2) the % of countries advancing to Tier 1 in annual State Dept. ranking, and 3) ratification of the UN Anti-corruption Convention by all FSA countries.

Measure Term: Long-term

Year	Target	Actual
2008	Prosecutions expand	
2008	25% advance to Tier1	
2008	All RatifyConvention	

Measure: FSA/Improve Monitoring Country Progress (MCP) Democratization Index score. This index measures overall development of democratic institutions in the FSA region. The target numbers represent ratings on a 1-5 scale with 5 being the most advanced.

Additional Information: Indicates overall development of democratic institutions in the FSA region, including independent media, rule of law, and a vibrant civil society.

Measure Term: Long-term

Year	Target	Actual
1997	2.2	
2002	2	
2008	2.8	

Measure: FSA/Improve MCP Economic Reform Aggreggate Index score. This index measures the development of institutions that foster economic growth. The target numbers represent ratings on a 1-5 scale with 5 being the most advanced.

Additional Information: Indicates the development of institutions, laws and policies that foster private sector-led growth, macroeconomic stability and poverty reduction.

Measure Term: Long-term

Year	Target	Actual
1992	1.31	
2002	2.47	
2008	3.5	

PART Performance Measurements

Program: Support for Eastern European Democracy & Freedom Support Act

Agency: Department of State

Bureau: EUR/ACE

Measure: SEED/Progress in EU, NATO, and other Euro-Atlantic institutions integration processes

Additional Information: Indicates increased application of EU, NATO and other standards on the part of the countries of the region.

Measure Term: Long-term

Year	Target	Actual
2008	100% co's have SAAs	
2008	100% co's have PFPs	

Measure: SEED/Improvement in indicators of more effective law enforcement and rule of law.

Additional Information: Indicators measure 1) the number of prosecutions from bi- or multilateral cooperation in all regions, 2) the % of countries advancing to Tier 1 in annual State Dept. ranking, and 3) ratification of the UN Anti-corruption Convention by all FSA countries.

Measure Term: Long-term

Year	Target	Actual
2008	Prosecutions expand	
2008	25% advance Tier 1	
2008	All ratifyconvention	

Measure: SEED/Improve MCP Economic Reform Aggregate Index score. This index measures the development of institutions that foster economic growth. The target numbers represent ratings on a 1-5 scale with 5 being the most advanced.

Additional Information: Indicates the development of institutions, laws and policies that foster private sector-led growth, macroeconomic stability and poverty reduction.

Measure Term: Long-term

Year	Target	Actual
1997	1.64	
2002	2.82	
2008	3.5	

Measure: SEED/Improve MCP Democratization Index Score

Additional Information: Indicates overall development of democratic institutions in the SEED region, including independent media, rule of law, and a vibrant civil society.

Measure Term: Long-term

Year	Target	Actual
1997	2.8	

PART Performance Measurements

Program: Support for Eastern European Democracy & Freedom Support Act

Agency: Department of State

Bureau: EUR/ACE

Measure: SEED/Improve MCP Democratization Index Score

Additional Information: Indicates overall development of democratic institutions in the SEED region, including independent media, rule of law, and a vibrant civil society.

Measure Term: Long-term

Year	Target	Actual
2002	3.2	

Program Assessment Rating Tool (PART)

Program: Terrorist Interdiction Program (TIP)
Agency: Department of State
Bureau: Office of the Coordinator for Counter-Terrorism
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	57%	30%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: The purpose of the Terrorist Interdiction Program (TIP) is to strengthen international cooperation and prevent terrorists from moving freely from country to country by assisting host nations in securing their borders by providing foreign governments with a computer database system -- the Personal Identification Secure Comparison and Evaluation System (PISCES) -- that allows their border control officials to quickly identify and detain or track suspect persons attempting to cross their borders and provides border officials with increased capacity to collect, compare, and analyze traveler data that contributes to global knowledge of terrorist movements.

Evidence: FY 2004 Congressional Presentation Document; Bureau Performance Plan (BPP); TIP Joint Program Review (Jan 2003). General program purpose and authorty within the Foreign Assistance Act of 1961, Part II, chapter 8 governing antiterrorism assistance.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 20%

Explanation: Protection to American citizens wherever they may work or travel cannot succeed without the support and cooperation of foreign governments. These governments bear the primary responsibility within their borders for preventing terrorism, protecting our citizens, responding to terrorist attacks, and investigating attacks against Americans. The TIP program directly addresses the threat to Americans by increasing cooperation and capability of foriegn governments to prohibit terrorists from traveling into or through their countries.

Evidence: TIP Joint Program Review (Jan2003); BPP. Administration Testimony to Congress

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight: 20%

Explanation: The Terrorist Interdiction Program, an interagency effort led by the Department of State, is a foreign assistance program that does not duplicate other Federal efforts. The TIP program manager works closely with complentary programs within the Department of State's International Narcotics and Law Enforcement Bureau,, the Anti-Terrorism Assistance training program, and other agencies including DOD and DHS to ensure close coordination and integration of their border security institution building activities.Expl_1.5

Evidence: The Department of State's Coordinator for Counter-Terrorism (S/CT) roles and responsibilties, Bureau Performance Plan, TIP program Terms of Reference, TIP Program Manager description of position responsibilities.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: TIP is designed to be a highly effective, low-cost tool in the global fight against terrorism. The PISCES software application is tailored to each country's specific needs and provides border control officials at transit points with information that allows them to identify and detain or track individuals of interest. Through PISCES, the TIP program enables two important activities: intercepting suspects and providing data for investigative purposes. The major vulnerability in the system is that it must be used effectively by border control officials and have adequate coverage of transit points. The TIP program addresses this vulneability by including training and covering the most used transit points. Use across all TIP installations is a perforamnce indicator for this program.

Evidence: TIP Program fact sheets, installation and equipment guide, and program summary. Bureau performance plan.

Program: Terrorist Interdiction Program (TIP)
Agency: Department of State
Bureau: Office of the Coordinator for Counter-Terrorism
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	57%	30%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES Question Weight: 20%

Explanation: The TIP assistance program works directly to improve host country border control systems and to train host country immigration officials on the proper use and analytical capabilities of the PISCES border control system. Overall priorities for TIP program activities are governed by a list of of priority countries developed by an interagency group coordinated by S/CT.

Evidence: TIP/PISCES interagency review.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: NO Question Weight: 12%

Explanation: The long term goal is full deployment and use of TIP in a list of high prioirty foreign countries identified by an interagency group. While the outcome goal is to identify, track, and detain terrorists, this can best be tracked by an indicator that measures use by the host country of the TIP program. The TIP program has a list of all prioritiy countries and a performance indicator on the average percentage use of TIP across all installations. Improvements in achieving long-term goals could include better coordination among all assistance programs to take a comprehensive approach to host country border controls. Improvements in measures needed include identification of the universe of countries and the year that the program will be completed .

Evidence: Interagnecy Program Review, Bureau performance plan

2.2 Does the program have ambitious targets and timeframes for its long-term measures?

Answer: NO Question Weight: 12%

Explanation: The TIP program is developing specific targets for its long-term measures.

Evidence: FY 2004 Bureau Performance Plan; FY 2004 Congressional Presentation Documents

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?

Answer: YES Question Weight: 12%

Explanation: The TIP program tracks number of TIP installations and number of immigration officials trained. In addiion, annual usage of the system is also tracked on an annual basis. Quarterly reviews track annual performance objectives. The goals of TIP system coverage within installed countries nd usate rate of the system will demonstrate progress toward long-term goal of fully installed coutries.

Evidence: FY 2004 & 2005 Bureau Performance Plans

2.4 Does the program have baselines and ambitious targets for its annual measures?

Answer: YES Question Weight: 12%

Explanation: Baseline was zero installations in 2000 with annual deployment goals thereafter. This is a new program with software development completed in FY 2001.

Evidence: FY 2004 & 2005 Bureau Performance Plans

Program: Terrorist Interdiction Program (TIP)
Agency: Department of State
Bureau: Office of the Coordinator for Counter-Terrorism
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	57%	30%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 12%

Explanation: The terms of reference for the joint program establish the commitment by interagency participants to the long-term goals of the program . The Memorandum of Intent signed by the U.S. and the host country for installation of TIP also cleearly establish a mutual interest in strengthening the host country border controls and commit to specific aresa of cooperation.

Evidence: Program terms of reference and Appendicies

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight: 12%

Explanation: This is a new program but the TIP program anticipates a future OIG evaluation in late 2004, early 2005

Evidence: This is a relatively new program.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight: 12%

Explanation: Budget requests identify likely priority countries and the scope of program installation that is anticipated within that budget level. TIP installations tie to the annual goal of countries with installed software.

Evidence: Bureau Performance Plans and FY 2004 Congressional Presentation Document

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 12%

Explanation: The Department is establishing a full time foreign service position to provide policy guidance for the program and established quarterly program reviews to assess the TIP program's effectiveness.

Evidence: Bureau Performan plan.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: NO Question Weight: 14%

Explanation: Starting in FY 2004 the TIP program will begin collecting information for annual reviews of key program partners.

Evidence: Weekly meeting minutes; Quarterly reports; annual interagency agreement.

Program: Terrorist Interdiction Program (TIP)
Agency: Department of State
Bureau: Office of the Coordinator for Counter-Terrorism
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	63%	57%	30%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: NO Question Weight: 14%

Explanation: The Office of Counter-terrorism is currently finalizing a program manager position that will include in the evaluation clear requirements that the program manager is responsible and accoutable for the sound management and implementation of the TIP program. In addition, the central software application contract is rebid every three years during which time contract performance and results are evaluated. Currently, overall management of the program is performed by S/CT staff.

Evidence: Draft Program Manager assignment and duties, Terms of primary softare contract

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 14%

Explanation: Funds are spent in a timely fashion once they are received from Congress and apportioned by OMB consistent with the TIP program plan.

Evidence: Expenditures Spreadsheet

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: NO Question Weight: 14%

Explanation: The TIP contract is recompeted every three years; the interagency agreement renewed annually; and quarterly reviews track expenditures and priorities. However, the program does not measure efficiencies and the cost effectiveness of the program

Evidence: Budget; Contractor change over; annual review; 3-year USGOV recompete; annual re-up of interagency agreement.

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight: 14%

Explanation: The TIP program works closely with the Department of State's International Narcotics and Law Enforcement Bureau, the Anti-Terrorism Assistance training program, and other agencies including DOD and DHS to ensure close coordination and integration of their border security institution building activities.

Evidence: TIP program Terms of Reference

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight: 14%

Explanation: Financial records are maintained by the TIP program management staff in S/CT. The State Department has deployed a new effective financial management system, compliant with federal system requirments.

Evidence: Expenditures Spreadsheet

Program:	Terrorist Interdiction Program (TIP)		
Agency:	Department of State		
Bureau:	Office of the Coordinator for Counter-Terrorism		
Type(s):	Direct Federal		

Section Scores				**Overall Rating**
1	2	3	4	Results Not Demonstrated
100%	63%	57%	30%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: Yes Question Weight: 14%

Explanation: The TIP porogram is in the process of hiring additional personnel in the program management office and is finalizing a new program manager position. The new program manager position will be directly responsible for both strategic planning and management of the program.

Evidence: Planning docuiments and draft position description of program manager.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: NO Question Weight: 30%

Explanation: Program has only been in operation for three years. In FY 2002, the TIP program reported 67% use of the program across all installations as of that year. The Department reported initial obstacles to use in countries with little or no border control structure. Use of diplomatic channels is being pursued to raise that to the overall program goal of 80% use for FY 2003. Other long-term measures are under development so there are no results to report.

Evidence: FY 2005 Bureau Performance Plan

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: YES Question Weight: 30%

Explanation: Program was slightly below target for FY 2002 for number of TIP installations at immigration points and number of immigration officials trained to use TIP but FY 2003 performance currently running above target.

Evidence: FY 2004 and FY 2005 Bureau Performance Plan

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: NO Question Weight: 20%

Explanation: Primary method to achieve efficiiences is contract recompete performed every three years.

Evidence: Terms of primary software contract.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: NA Question Weight: 0%

Explanation: No similar programs to TIP

Evidence:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: NO Question Weight: 20%

Explanation: TIP is a new program and no independent evaluations have yet been condueted. A review by the State Department's Office of Inspector General may occur in FY 2004/2005.

Evidence:

PART Performance Measurements

Program: Terrorist Interdiction Program (TIP)

Agency: Department of State

Bureau: Office of the Coordinator for Counter-Terrorism

Measure: Percentage use of the system at all TIP installations

Additional Information: As measured by TIP software and program assessments

Measure Term: Long-term

Year	Target	Actual
2002	67.5%	67.5%
2003	80%	
2004	80%	
2005	80%	
2006	80%	

Measure: Number of TIP countries receiving installations at immigration points and number of immigration officials trained to use TIP

Additional Information: Country installations can include all or some installations and training of appropriate personnel

Measure Term: Annual

Year	Target	Actual
2002	2	1
2003	4	
2004	6	

Program Assessment Rating Tool (PART)

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	88%	78%	75%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: The purpose of the program is to help ensure a comprehensive response to the protection and assistance needs of refugees and to help provide refugees with lasting solutions. The Migration and Refugee Assistance Act of 1962, as amended, authorizes the U.S. Government to provide contributions to UNHCR "for assistance to refugees under his mandate or persons on behalf of whom he is exercising his good offices." UNHCR's mandate is "to lead and coordinate international action for the worldwide protection of refugees and the resolution of refugee problems," making it the Department's primary partner in refugee protection and assistance.

Evidence: a) Migration and Refugee Assistance Act of 1962, as amended; b) Statute of the Office of the United Nations High Commissioner for Refugees; c) 1951 Refugee Convention and 1967 Protocol Relating to the Status of Refugees.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 20%

Explanation: UNHCR was established in 1951 as a temporary office with the responsibility of resettling 1.2 million European refugees left homeless by W.W.II. New refugee crises emerged, and today UNHCR is one of the world's principal humanitarian agencies, with responsibilities to protect and assist nearly 21 million persons including over 11 million refugees. The USG program supports the activities of UNHCR.

Evidence: d) PRM's PPRC paper entitled Organizational Policy and Program Implementation Paper for UNHCR for 2003; e) Opening Statement by High Commissioner at the 53rd Session of UNHCR's EXCOM meeting; f) List of Person's of Concern to UNHCR (UNHCR 2003 Global Appeal).

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight: 20%

Explanation: UNHCR carries the UN mandate to provide for the protection and long-term solution of the plight of refugees, and has special expertise in carrying out these duties. The U.S. government sees UNHCR's role as unique in this regard, and relies on UNHCR to ensure these needs are met. U.S. government support for UNHCR has been authorized by Congressional legislation and is provided solely through this State Department program, thereby avoiding any redundancy. Because of UNHCR's multilateral approach and worldwide presence, it plays a critical role in providing and coordinating refugee assistance (food, water, sanitation, shelter, etc.), although the U.S. government relies on other organizations to carry out refugee assistance as well.

Evidence: a) Migration and Refugee Assistance Act of 1962, as amended; c) 1951 Refugee Convention and 1967 Protocol Relating to the Status of Refugees; g) UNHCR Mission Statement (from 2003 Global Appeal).

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: This program provides for the protection and care of refugees through a multilateral organization, which allows the U.S. to advance its objectives, while providing only a portion of the costs of the programs. As a member of UNHCR's Executive Committee (EXCOM), the largest single donor, and a key partner of UNHCR, the U.S. has been able to achieve significant progress in promoting its objectives through UNHCR. Support of programs carried out by a multilateral organization like UNHCR, however, means that the U.S. (or any other donor) does not have sole control over the direction of UNHCR's programs, nor can it guarantee that UNHCR will receive all the resources it needs to carry out its mandate.

Evidence: b) Statute of the Office of the United Nations High Commissioner for Refugees; g) UNHCR Mission Statement (from 2003 Global Appeal); h) UNHCR document explaining impact of funding shortfalls.

Program:	UN High Commissioner for Refugees (UNHCR)
Agency:	Department of State
Bureau:	Population, Refugees, and Migration (PRM)
Type(s):	Block/Formula Grant

Section Scores				**Overall Rating**
1	2	3	4	Moderately Effective
100%	88%	78%	75%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: This program supports UNHCR activities to meet the immediate and long-term needs of refugees. UNHCR provides an explanation of its programs in each country, which donors then can support. At the end of the year, UNHCR reports on how these funds have been used to protect and assist the intended beneficiaries. To assist UNHCR, the U.S. provides the majority of its funding at the regional and subregional level, so that as funding requirements change throughout the year, UNHCR has flexibility in the use of its resources. However, in situations where the USG feels adequate steps are not being taken to advance U.S. priorities, earmarked funding at the country level or for cross-sectoral programs is provided to further promote U.S. goals. Examples of this earmarking include contributions to particular countries in Africa, additional contributions to support 'up to standards' initiatives in Africa, and specific funding for USG priorities such as refugee protection, registration, and refugee women and refugee children.

Evidence: i) Report at UNHCR's 26th Standing Committee entitled "Overall Program and Funding in 2002 and Projections for 2003"; j) Charts of USG contributions to UNHCR, 2002 - 03; k) Example funding contribution to UNHCR (includes earmarked contribution in support of U.S. priorities;l) Example UNHCR report on use of USG earmarked funding; m) USG/UNHCR Framework for Cooperation, 2002 - 03.

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 12%

Explanation: The long-term performance measures included in this review are based on key program priorities and include increasing refugee protection presence, improving the standards of care for refugees in Africa, and strengthening the transparency and prioritization of UNHCR programs in the event that budget adjustments are necessary. Additional long-term goals are included elsewhere such as in the Framework for Cooperation, the Bureau Performance Plan, and policy papers.

Evidence: m) USG/UNHCR Framework for Cooperation, 2002 - 03; n) PRM Bureau Performance Plan, 2005;o) Objectives section of PRM's PPRC paper entitled: Organizational Policy and Program Implementation Paper for UNHCR for 2003.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 12%

Explanation: Over the next three years, this program has set the following targets: increasing the number of UNHCR international protection posts by 75, getting a complete picture of refugee needs in Africa and ensuring that UNHCR's Africa budget is fully funded, and working with UNHCR so that it informs donors prior to its Executive Committee meeting, where adjustments will likely be made if full funding is not received, and consults with donors throughout the year prior to making budget adjustments.

Evidence: n) PRM Bureau Performance Plan, 2005; o) Objectives section of PRM's PPRC paper entitled: Organizational Policy and Program Implementation Paper for UNHCR for 2003.

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	88%	78%	75%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 12%

Explanation: Each long-term performance measure listed above has at least one accompanying annual performance measure that is aggressive and takes a step towards the accomplishment of the long-term goal.

Evidence: m) USG/UNHCR Framework for Cooperation, 2002 - 03; n) PRM Bureau Performance Plan, 2005; o) Objectives section of PRM's PPRC paper entitled: Organizational Policy and Program Implementation Paper for UNHCR for 2003; p) USG Agreement with UNHCR on increasing UNHCR Resettlement referrals; q) Initial progress report on UNHCR Resettlement referrals.

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 12%

Explanation: Each of the annual goals has baseline figures. The annual goals for the outyears represent a significant increase in performance of the program. For example, in 2002 UNHCR had 237 officers working in the "protection" area, thus far in 2003, UNHCR has 240 officers in this field, and over the next three years, progress is expected each year so that by the end of 2006, UNHCR will support 315 officers in the "protection" area (33% increase).

Evidence: m) USG/UNHCR Framework for Cooperation, 2002 - 03; n) PRM Bureau Performance Plan, 2005; o) Objectives section of PRM's PPRC paper entitled: Organizational Policy and Program Implementation Paper for UNHCR for 2003.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 12%

Explanation: While not a legally binding document, the Framework for Cooperation represents a "policy commitment" and is signed by the UN High Commissioner for Refugees and the Assistant Secretary of State for PRM and progress is tracked and reported on by both parties. Biannual meetings between the USG and UNHCR are held to review progress. The State Department has also recently established an understanding with UNHCR regarding resettlement referrals. The various priorities in the Framework for Cooperation are also incorporated into the Bureau's FY 2005 Bureau Performance Plan. The program partner has been informed of the specific short and long-term performance measures included in this document.

Evidence: m) USG/UNHCR Framework for Cooperation, 2002-2003; r) UNHCR's Quarterly Report on Progress made towards the 2003 USG/UNHCR Framework for Cooperation; p) USG Agreement with UNHCR on increasing UNHCR Resettlement referrals; q) Initial progress report on UNHCR Resettlement referrals; s) Conclusions at the 53rd Session of UNHCR's Executive Committee; t) UNHCR's Agenda for Protection.

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	88%	78%	75%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight: 12%

Explanation: The last bureau-wide evaluation was undertaken by the Department's Inspector General's (IG) office in 1995. Evaluations for components of the program, though, are conducted much more frequently. Last year, the IG's office reviewed the bureau's programs on behalf of refugee women. In 2003, the GAO completed an review of protection efforts on behalf of refugee women and girls. UNHCR undergoes its own series of internal and external evaluations as well, including on issues of priority to the U.S. Recent independent evaluations of UNHCR programs of special importance to the U.S. include the review of the Kosovo Women's Initiative, UNHCR's policy on Refugee Women, the Protection of Refugee Children, and UNHCR's Community Services Function, several of which were supported by bureau funding.

Evidence: u) State Department IG review of the PRM Bureau, 1995; v) GAO report on protection of refugee women and girls, 2003; w) State Department IG review of Refugee Women's Programs, 2002; x) PRM response to recommendations of IG review of Refugee Women's Programs, 2002;y) Independent evaluation of UNHCR's Kosovo Women's initiatives, 2002; z) Independent evaluation of impact of UNHCR activities to Protect of Refugee Children, 2002;aa) Independent assessment of UNHCR's Policy on Refugee Women and Protection, 2002;bb) Independent evaluation of Community Services function in UNHCR, 2003;cc) UNHCR response to three Evaluations/Assessment of Refugee Women, Children and the Community Services Function.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight: 12%

Explanation: The current Bureau Performance Plan (BPP) does not tie resource needs to annual performance targets. In addition, the program does not have any other document that links resources to the program's annual and long-term performance goals.

Evidence: n) PRM Bureau Performance Plan, 2005; dd) Fiscal Year 2003 Congressional Presentation Document.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 12%

Explanation: The development of a jointly agreed upon Framework for Cooperation (beginning in FY2001) between the U.S. and UNHCR has provided the program with a new and important strategic planning tool. The framework lays out joint priorities which the U.S. Government then works with UNHCR to advance. U.S. support includes specific funding for priorities such as refugee registration, refugee protection, and resettlement. The most recent Bureau Performance Plan better quantifies USG priorities and includes a partner accountability goal. Since the last bureau-wide IG review some years ago, the bureau has adopted a more open and inclusive policy review process whereby each office provides input into the bureau's policy and program decision papers thereby enhancing strategic planning bureau-wide. Finally, the bureau is developing a computer database that would facilitate the tracking of bureau efforts to promote program objectives.

Evidence: k) Example funding contribution to UNHCR (includes earmarked contribution in support of U.S. priorities;m) USG/UNHCR Framework for Cooperation, 2002 - 03;n) PRM Bureau Performance Plan, 2005; ee) Information on DRAMA computer system.

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	88%	78%	75%	

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?

Answer: YES Question Weight: 11%

Explanation: The USG monitors progress on its priorities through private discussions with UNHCR officials, participation in governing board meetings, inquiries and interventions by bureau staff in Geneva, and direct monitoring of UNHCR program implementation in the field. UNHCR provides reporting on a quarterly basis on its implementation of the priorities in the Framework for Cooperation and the USG and UNHCR review progress made twice a year. Programs are monitored by Washington-based program officers on an annual basis and by refugee coordinators living in key locations throughout the world on a much more frequent basis. RMA/Geneva monitors UNHCR headquarters on an ongoing basis as well. Through preparation for and participation in UNHCR governing board meetings as well as through frequent bilateral discussions between the Bureau's Washington officials and UNHCR, the bureau also tracks the advancement of its program objectives. Performance information gathered through these various means is used to then promote US Government policies and provide funding in support of bureau objectives through

Evidence: k) Example funding contribution to UNHCR (includes earmarked contribution in support of U.S. priorities;n) PRM Bureau Performance Plan, 2005; ff) UNHCR Global Report, 2001; gg) Example PRM Field Monitoring and Evaluation Report (on Angolan refugees in Zambia); hh) Refugee coordinator (Refcoord) report on review of UNHCR Ethiopia's 2004 Country Operations Plan; ii) Example of Bilateral Discussions - Points for A/S Dewey - HC Lubbers telcon; jj) Example of Bilateral Discussions - Points for PDAS Greene - DHC Wyrsch telcon; kk) Example USG statements at UNHCR governing board meeting - U.S. statements at the Plenary and on Protection at the 53rd Session of UNHCR's Executive Committee meeting; ll) Example of Bilateral Discussions - Points for PRM-UNHCR/Washington Monthly meeting; mm) Example reporting and demarche cable to UNHCR on Southern Africa issues (Rwandan refugees and Malawi program); nn) Example PRM letters (2) to fellow UNHCR donors.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?

Answer: YES Question Weight: 11%

Explanation: PRM officers with direct responsibility for the program are evaluated annually on their efforts to advance program priorities, and awards and advancements are based on their efforts to accomplishment these objectives. Continuing employment is potentially contingent on performance of program duties. Program partner staff are evaluated on their performance in advancing UNHCR's Global Objectives, many of which coincide with stated U.S. priorities. Employee performance is considered as employees' compete for ongoing assignments as well as advancements. In locations or for programs where partner performance is not acceptable, program funding may be withheld or funds may be earmarked to encourage cost, schedule and performance results. The effect of U.S. earmarking is that programs deserving of support are ensured funding, while programs that that less deserving of funding are supported at some lower level.

Evidence: l) Example UNHCR report on use of USG earmarked funding; oo) List of General Responsibilities of Program Officer - "Job Elements";pp) Sample Program Officer Performance Appraisal Report Form; qq) Sample UNHCR Performance Appraisal Report Form; rr) UNHCR Global Appeal 2003 - Global Objectives and Indicators of Progress Section.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?

Answer: YES Question Weight: 11%

Explanation: USG funds are obligated and expended by its program partner in a timely manner. In recent years, the first USG contribution of the year has amounted to approximately 50% of the total annual USG contribution and has been given in late December/early January to ensure UNHCR has funds to start the year. (The USG fiscal year starts earlier than that of other donors). The USG makes subsequent contributions throughout the year to meet needs in the middle and later half of the year. UNHCR requests use of the USG funding only as the funds are needed to cover current expenditures. UNHCR reports on the overall use of donor contributions in an annual Global Report. It may also provide a special report to the USG on specific earmarked contributions, if it is required.

Evidence: i) Report at UNHCR's 26th Standing Committee entitled "Overall Program and Funding in 2002 and Projections for 2003"; j) Charts of USG contributions to UNHCR, 2002 - 03; k) Example funding contribution to UNHCR (includes earmarked contribution in support of U.S. priorities; ff) UNHCR Global Report, 2001; ss) UNHCR financial drawdown request to bureau Comptroller's office.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: NO Question Weight: 11%

Explanation: The program does not yet have efficiency measures or incentives to reduce costs in its performance planning documents, however, is taking some steps to achieve efficiencies. The program has agreed to include at least one efficiency measure in future planning documents.

Evidence: n) PRM Bureau Performance Plan 2005

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES Question Weight: 11%

Explanation: Since the Bureau supports the programs of many partner organizations (UNHCR, ICRC, IOM, numerous NGO partners, etc.), efforts are made in-house to coordinate so that USG funds best support refugees' needs. The bureau has teams that include a representative from each office who review each policy and funding proposal to ensure greater internal coordination of policy. One team is set up to review UNHCR proposals. Bureau funding requests are presented to the Bureau's Policy and Program Review Committee which further enhances internal coordination. When overlapping interests with other agencies occur, such as in the case of refugee food needs or assistance to Internally Displaced Persons, the bureau coordinates with colleagues from other agencies to ensure the USG provides and appropriate response. Similarly, the USG promotes coordination among the humanitarian actors it partners with, requiring NGO partners to coordinate with UNHCR (this is included in NGO funding agreements and the Framework for Cooperation), and urging coordination among the International Organizations (including UNHCR)

Evidence: nn) Example PRM letters (2) to fellow UNHCR donors; vv) NGO instructions on coordination with UNHCR; ww) USG statement on coordination at the 25th Standing Committee of UNHCR; xx) UNHCR/WFP MOU; yy) Refugee coordinator instruction cable on participation in UNHCR Country Operations Plan; zz) PRM/DCHA Funding Guidelines.

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	88%	78%	75%	

3.6 Does the program use strong financial management practices? Answer: NO Question Weight: 11%

Explanation: UNHCR is subject to external oversight by the UN Board of Auditors, which conducts audits on an annual basis and reports to donors, including the U.S., on its findings and provides recommendations for improvement in the use and management of funds. The 2001 audit found that UNHCR does not have an integrated financial management system and the system that is in place is different from systems used by the rest of the United Nations. In addition, the report found that UNHCR was not using UN approved accounting standards. All items were a cause of concern to the auditors as it increases the possibility of error. At the Standing Committee discussions where the UN Auditors' report was discussed, the U.S. expressed concern over the UN auditors' findings and urged UNHCR to take appropriate measures to address these concerns. UNHCR is moving forward in addressing the key concern that UNHCR lacked an integrated financial system. UNHCR's Management Systems Renewal Project, which started in November 2002, is expected to replace several disparate, outdated and costly systems

Evidence: k) Example funding contribution to UNHCR (includes earmarked contribution in support of U.S. priorities);ss) UNHCR financial drawdown request to bureau Comptroller's office;aaa) Report of the UN Board of Auditors on the Financial Situation of UNHCR, 2001; bbb) Information on the Development of a new UNHCR financial management system - "MSRP", from the UNHCR 2002 Global Report.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 11%

Explanation: Through adoption of a Framework for Cooperation and the associated review procedures, the bureau and UNHCR have clear, agreed upon objectives that are more easily tracked and promoted, thereby enhancing the ability of the USG to manage this program. This also gives bureau officers a set of criteria on which to review UNHCR programs in the field. The bureau has established a standardized, week-long Monitoring and Evaluation training course for all program officers, as well, that enhances the bureau's review of this and other bureau programs. In the recent GAO and IG evaluations of efforts to meet the needs of refugee women and to address refugee protection needs, the bureau received positive reviews. The bureau also ensures that UNHCR acts on USG priority activities (i.e., refugee registration and protection, programs for refugee women and refugee children) by providing earmarked contributions for these activities. The bureau divides out the financial management functions between its Comptroller's office and its office of Policy and Resource Planning, thereby providing

Evidence: k) Example funding contribution to UNHCR (includes earmarked contribution in support of U.S. priorities;m) USG/UNHCR Framework for Cooperation, 2002 - 03; u) State Departmet IG review of the PRM Bureau, 1995; v) GAO report on protection of refugee women and girls, 2003; w) State Department IG review of Refugee Women's Programs, 2002; x) PRM response to recommendations of IG review of Refugee Women's Programs, 2002;y) Independent evaluation of UNHCR's Kosovo Women's initiatives, 2002; z) Independent evaluation of impact of UNHCR activities to Protect of Refugee Children, 2002;aa) Independent assessment of UNHCR's Policy on Refugee Women and Protection, 2002;bb) Independent evaluation of Community Services function in UNHCR, 2003;cc) UNHCR response to three Evaluations/Assessment of Refugee Women, Children and the Community Services Function;tt) PRM Bureau Monitoring and Evaluation training packet.

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	88%	78%	75%	

3.BF1 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 11%

Explanation: The U.S. is a member of UNHCR's Executive Committee and as such participates in UNHCR governing board meetings and reviews UNHCR's activities, including reports provided by UNHCR. The USG also meets with UNHCR on a bilateral basis regarding concerns. On a more day-to-day basis, the program partner's field operations are monitored by the bureau's field-based Refugee Coordinators and from Washington (with occasional field visits) by Department-based program officers. UNHCR headquarters activities are tracked daily in by the bureau's RMA office in Geneva, and a bureau officer in Brussels tracks issues of importance with donor partners in the EC. Internal and external evaluations of UNHCR activities further enhance the bureau's oversight capabilities. UNHCR also makes public considerable information through its publications and internet site.

Evidence: i) Report at UNHCR's 26th Standing Committee entitled "Overall Program and Funding in 2002 and Projections for 2003"; gg) Example PRM Field Monitoring and Evaluation Report (on Angolan refugees in Zambia); hh) Refugee coordinator (Refcoord) report on review of UNHCR Ethiopia's 2004 Country Operations Plan; ii) Example of Bilateral Discussions - Points for A/S Dewey - HC Lubbers telcon; jj) Example of Bilateral Discussions - Points for PDAS Greene - DHC Wyrsch telcon; kk) Example USG statements at UNHCR governing board meeting - U.S. statements at the Plenary and on Protection at the 53rd Session of UNHCR's Executive Committee meeting; mm) Example reporting and demarche cable to UNHCR on Southern Africa issues (Rwandan refugees and Malawi program).

3.BF2 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 11%

Explanation: The Bureau does not make partner performance data easily available to the public, however, UNHCR does make some information available through public documents and on its website. The bureau includes this link on its website.

Evidence: i) Report at UNHCR's 26th Standing Committee entitled "Overall Program and Funding in 2002 and Projections for 2003";n) PRM Bureau Performance Plan, 2005; s) Conclusions at the 53rd Session of UNHCR's Executive Committee; t) UNHCR's Agenda for Protection;y) Independent evaluation of UNHCR's Kosovo Women's initiatives, 2002; z) Independent evaluation of impact of UNHCR activities to Protect of Refugee Children, 2002;ff) UNHCR Global Report, 2001; ddd) Agenda for discussions with NGOs prior to UNHCR Executive Committee meetings; eee) PRM website information (www.state.gov/g/prm/)fff) Bureau funding information provided for posting to the OCHA Relief Web site (www.reliefweb.int/w/rwb.nsf); ggg) UNHCR website information (www.unhcr.ch).

Program Assessment Rating Tool (PART)

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Population, Refugees, and Migration (PRM)
Type(s): Block/Formula Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	88%	78%	75%	

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?**

Answer: LARGE EXTENT — Question Weight: 25%

Explanation: While the specifics of these long-term performance goals are new, the broad goals are ones the U.S. Government has urged UNHCR to provide and donors to support for the last several years through governing board interventions and bilateral discussions. These goals are part of the USG/UNHCR Framework for Cooperation as well. UNHCR staff in the "protection" area increased by three persons from 2002 to the first quarter of 2003. Prior to the adoption of these new long-term goals, the U.S. earmarked funding specifically for protection activities and funded an NGO to provide UNHCR with a protection surge capacity to fill emergency protection staffing needs. The program's 2004 budget, first presented last year, includes $5 million to help meet the specific performance goal of increasing UNHCR staff in the "protection" area by 75 posts. Aside from urging UNHCR and fellow donors to support up-to-standards needs in Africa, the U.S. has supported a higher percentage (30%) of UNHCR's programs in Africa than elsewhere in the world in order to meet these needs. The importance placed on programs in Africa is apparent by the

Evidence: j) Charts of USG contributions to UNHCR, 2002 - 03; k) Example funding contribution to UNHCR (includes $3 million earmark for protection personnel and activities in Africa);n) PRM Bureau Performance Plan 2005; r) UNHCR's Quarterly Report on Progress made towards the 2003 USG/UNHCR Framework for Cooperation (shows increase in UNHCR staffing in the "protection" area);iii) IRC Protection Surge Capacity Report; jjj) Allocations from UNHCR 2002 Operational Reserve, UNHCR Global Report, 2002.

4.2 **Does the program (including program partners) achieve its annual performance goals?**

Answer: SMALL EXTENT — Question Weight: 25%

Explanation: The specific annual performance goals are new, therefore the program cannot show that it has achieved its annual performance goals. However, as the U.S. has been pushing similar goals in recent years, we have seen the following progress in the last year: UNHCR did increase the number of staff in the "protection" area by three persons in the first quarter of 2003. The fact that UNHCR programs in Africa received a higher level of earmarking in 2002 and 2003 shows the importance donors place on UNHCR programs there. Another encouraging sign is that the majority of the transfers of funds from UNHCR's Operational Reserve funds in 2002 went to its programs in Africa, which results in an increase in the budgets of UNHCR Africa programs. The U.S. and other donors continue to press UNHCR to increase the transparency of UNHCR's budget process. As a result, in the most recent Executive Committee conclusion on UNHCR funding included the following language "Welcomes the early and regular involvement of members of the Executive Committee in formulating and reviewing UNHCR's annual program budgets and setting priorities . . .". This conclusion is a step to achieving our long-term goal.

Evidence: j) Charts of USG contributions to UNHCR, 2002 - 03; k) Example funding contribution to UNHCR (includes $3 million earmark for protection personnel and activities in Africa);n) PRM Bureau Performance Plan, 2005; r) UNHCR's Quarterly Report on Progress made towards the 2003 USG/UNHCR Framework for Cooperation (shows increase in UNHCR staffing in the "protection" area);iii) IRC Protection Surge Capacity Report; jjj) Allocations from UNHCR 2002 Operational Reserve, UNHCR Global Report, 2002.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: YES Question Weight: 25%

Explanation: The program has not included specific efficiency measures in its performance planning documents, but has taken steps to achieve efficiencies. Therefore, the program has received credit for these attempts. The program has agreed to include at least one efficiency measure in future planning documents, which should result in greater demonstrated efficiencies in the future. The bureau reviews efficiencies of partners through regular desk and field monitoring and evaluation and has instituted changes to improve efficiencies based on monitoring and evaluation. Some examples: 1) The USG's program with UNHCR includes support of the Junior Professional Officer program. The bureau recently made the information and application to this program available on the internet to increase accessibility and reduce staff time spent on distributing and collecting applications to the program. 2) The bureau also recently arranged for UNHCR's IG staff to receive specialized training from Department's IG staff, in an effort to improve UNHCR inspection and investigation

Evidence: j) Charts of USG contributions to UNHCR, 2002 - 03; k) Example funding contribution to UNHCR (includes $3 million earmark for protection personnel and activities in Africa); r) UNHCR's Quarterly Report on Progress made towards the 2003 USG/UNHCR Framework for Cooperation (shows increase in UNHCR staffing in the "protection" area); ee) Information on DRAMA computer system; gg) Example PRM Field Monitoring and Evaluation Report (on Angolan refugees in Zambia); tt) PRM Bureau Monitoring and Evaluation training packet; uu) Information on the State Department IG training for UNHCR; iii) IRC Protection Surge Capacity Report; jjj) Allocations from UNHCR 2002 Operational Reserve, UNHCR Global Report, 2002.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: NA Question Weight: 0%

Explanation: UNHCR is the only international organization with a mandate to provide for the protection and durable solutions to the plight of refugees.

Evidence: b) Statute of the Office of the United Nations High Commissioner for Refugees; c) 1951 Refugee Convention and 1967 Protocol Relating to the Status of Refugees; g) UNHCR Mission Statement (from 2003 Global Appeal).

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: YES Question Weight: 25%

Explanation: A review by the Department's Inspector General's office (IG) and the General Accounting Office (GAO) found that the program and the bureau as a whole have taken adequate and appropriate measures to address program priorities. Regarding U.S. government efforts to promote refugee protection, the GAO report "found that the U.S. government has consistently pushed for a strong international response." The OIG review "found that the Department has advanced its humanitarian response efforts to provide women refugees and conflict victims with equal access to assistance and protection." The latest bureau-wide review was undertaken by the IG's office in 1995. The program has also recently funded independent evaluations of its partner organizations in the areas of refugee women, refugee children, and community services.

Evidence: u) State Department IG review of the PRM Bureau, 1995; v) GAO report on protection of refugee women and girls, 2003; w) State Department IG review of Refugee Women's Programs, 2002; x) PRM response to recommendations of IG review of Refugee Women's Programs, 2002;y) Independent evaluation of UNHCR's Kosovo Women's initiatives, 2002; z) Independent evaluation of impact of UNHCR activities to Protect of Refugee Children, 2002;aa) Independent assessment of UNHCR's Policy on Refugee Women and Protection, 2002;bb) Independent evaluation of Community Services function in UNHCR, 2003;cc) UNHCR response to three Evaluations/Assessment of Refugee Women, Children and the Community Services Function.

PART Performance Measurements

Program: UN High Commissioner for Refugees (UNHCR)

Agency: Department of State

Bureau: Population, Refugees, and Migration (PRM)

Measure: Number of fully funded permanent, international, professional posts in the "protection" area that exist within UNHCR.

Additional Information: The number of protection officers is highly indicative of UNHCR's ability to provide to refugees protection against physical harm where they are currently located as well as against return to situations where they may face persecution or other harm.

Measure Term: Long-term

Year	Target	Actual
2006	315 positions	

Measure: UNHCR provides assessment of all refugee needs in African countries with greater than 10,000 refugees, and donors fully fund UNHCR's Africa budget.

Additional Information: Full needs assessed and 100% of UNHCR/Africa budget funded

Measure Term: Long-term

Year	Target	Actual
2006	100% funded	

Measure: Improved budget management of UNHCR through increased donor transparency and prioritization of activities.

Additional Information: UNHCR prioritizes before making budget adjustments

Measure Term: Long-term

Year	Target	Actual
2006	prioritize before	

Measure: Separate UNHCR budget mechanism for providing additional funding for creation of up to 75 new posts with UNHCR in the "protection" area.

Additional Information: The goal in 2004 is the establishment of a separate UNHCR budget mechanism for providing additional funding for creation of up to 75 new posts with UNHCR in the "protection" area. In 2005 the goal would be to mainstream 50% of those posts in UNHCR's Annual Budget while continuing to fund the other 50% through separate mechanisms; and in 2006 to fully mainstream the 75 posts into UNHCR programs. Relates to long-term goal 1.

Measure Term: Annual

Year	Target	Actual
2002		no mechanism
2003	no mechanism	
2004	mechanism created	
2005	50% funded	
2006	100% funded	

PART Performance Measurements

Program: UN High Commissioner for Refugees (UNHCR)

Agency: Department of State

Bureau: Population, Refugees, and Migration (PRM)

Measure: Number of UNHCR protection officers.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2002		237
2003	240	
2004	240	
2005	278	
2006	315	

Measure: Completed needs assessment for Africa programs so that donors can fully fund programs.

Additional Information: Work with UNHCR to provide complete needs assess. for 5 pilot countries in 2004; each country where UNHCR works and pop. > 50,000 in 2005; >10,000 in 2006, with other donors, fully fund UNHCR's Africa budget in 2006.

Measure Term: Annual

Year	Target	Actual
2003		No assessment
2004	5 pilots	
2005	assess. >50,000	
2006	>10K and fully fund	

Measure: Improved budget management of UNHCR through increased donor transparency.

Additional Information: 1) 2004-receive details of any pending changes in UNHCR's budget; 2) 2005-hold UNHCR/donor consultations on pending changes; and 3) 2006 budget and beyond, UNHCR will inform donors where changes will likely be made if full funding is not received.

Measure Term: Annual

Year	Target	Actual
2003		informed after
2004	informed before	
2005	consults before	

PART Performance Measurements

Program: UN High Commissioner for Refugees (UNHCR)

Agency: Department of State

Bureau: Population, Refugees, and Migration (PRM)

Measure: Improved budget management of UNHCR through increased donor transparency.

Additional Information: 1) 2004-receive details of any pending changes in UNHCR's budget; 2) 2005-hold UNHCR/donor consultations on pending changes; and 3) 2006 budget and beyond, UNHCR will inform donors where changes will likely be made if full funding is not received.

Measure Term: Annual

Year	Target	Actual
2006	informs before final	

Program Assessment Rating Tool (PART)

Program: Visa and Consular Services
Agency: Department of State
Bureau: Consular Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
80%	85%	85%	59%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: The purpose of the Border Security Program (BSP) is to protect American citizens both domestically and abroad and to safeguard US borders through improvements in consular systems and programs.

Evidence: Immigration and Nationality Act of 1952 and subsequent amendments; USA PATRIOT Act of 2001; Enhanced Border Security and Visa Entry Reform Act (EBSAVERA) of 2002; Intercountry Adoption Act of 2000

1.2 Does the program address a specific interest, problem or need? Answer: YES Question Weight: 20%

Explanation: The Border Security Program (BSP) addresses diverse interests, issues and problems, including national security, visa and passport services and American citizen services.

Evidence: The BSP addresses national security needs like (a) ensuring against travel to the US by terrorists or others who pose a threat or intend to violate US immigration laws; (b) ensuring that highly secure US passports are issued to US citizens in a timely and efficient manner; and (c) ensuring that USG assistance is available to Americans abroad. Consular services to citizens include help in situations involving death, injury/illness, arrest, nationality issues, adoption, Federal benefits, international parental child abduction and other crimes. Consular Affairs (CA) will issue c. 7.6 M passports in FY03 and adjudicate 6M non-immigrant visas and c. 500,000 immigrant visas. In FY02 the Department processed 857 repatriation loans to citizens in distress overseas.

1.3 Is the program designed to have a significant impact in addressing the interest, problem or need? Answer: YES Question Weight: 20%

Explanation: The BSP is designed to have a significant impact on the needs of American citizens traveling or living abroad and border control mechanisms. The BSP contributes to US homeland security, and CA has been working very closely with the Department of Homeland Security (DHS) to ensure that it remains well designed. The BSP is designed to act as a first line of assistance for American citizens (Amcits) abroad. The program is funded solely by fees charged for services. Given its design the program should be adequately funded based on demand.

Evidence: State Department Budget in Brief 2004. Department of State FY 2004 Performance Plan

Program: Visa and Consular Services
Agency: Department of State
Bureau: Consular Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
80%	85%	85%	59%	

1.4 **Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?**

Answer: YES Question Weight: 20%

Explanation: The BSP is not redundant with other federal programs. It complements various components of the Department of Homeland Security (DHS) by providing initial screening through the visa process of immigrants and visitors before they travel to the US. Data collected is shared electronically with DHS officials responsible for the border inspection process. The State Department (DoS) has the sole USG authority to issue passports. In addition, DoS has a unique role in assisting American citizens in distress overseas through its repatriation program and other consular services. Assistance to parents in cases of adoption and/or abduction is complementary to services of DHS, the Department of Justice, other agencies and NGOs.

Evidence: CA and the BSP operate under the Immigration and Naturalization Act, which delineates responsibility in immigration and nationality matters. The Homeland Security Act provides additional guidance on the division of labor with DHS. A DoS-DHS MOU will further define roles. CA's Consular Consolidated Database (CCD), developed as part of the Border Security Program (BSP), is shared with DHS at ports of entry. CA alerts American citizens regarding conditions overseas via information sheets and travel warnings. DoS (through CA) is the US Central Authority for the Hague Abduction Convention and will have similar responsibilities for the Convention on Intercountry Adoptions. The implementing legislation for the Conventions describes roles of involved parties.

1.5 **Is the program optimally designed to address the interest, problem or need?**

Answer: NO Question Weight: 20%

Explanation: The BSP is well designed; however, it is an entirely fee-funded program with revenues derived from fees charged to applicants for non-immigrant visas therefore if there is a drop in fee revenues there will be an insufficient base of funds to support rising resource requirements. Since 9/11, there has been a fall in NIV demand, due to worldwide economic/political conditions, continued treat of terror attacks, and SARS, resulting in a lower revenue base that will be insufficient to support costly new program initiatives mandated by the USA PATRIOT Act of 2001 and the Enhanced Border Security and Visa Entry Reform Act of 2002. Relying on fee receipts for operational costs leaves base program costs vulnerable to a significant shortfall if receipts are reduced. In addition to last year's $200 million shortfall, we are experiencing another $60 million shortfall for FY03. DoS raised the NIV fee in FY03 in response to rising costs against falling visa demand (which has created a lower revenue base). In FY04 DoS requested an appropriation to help fund new program requirements and will continue the need to do so for the foreseeable future.

Evidence: CA's Bureau Performance Plan (BPP). NIV demand continues to significantly decrease, contributing to another $60 million shortfall so far in FY03. During severe declines in MRV revenues, DoS risks not being able to meet fixed costs. The budget gap continues to reflect the costs of enhanced overseas visa screening initiatives implemented since September 11, 2001, required by the USA PATRIOT Act and the EBSAVERA and by DHS which has the lead in immigration matters. It is critical that the BSP follow a multi-faceted budget strategy that minimizes the risks of being a fee-funded program. DoS is exploring options to mitigate the risk.

Program: Visa and Consular Services
Agency: Department of State
Bureau: Consular Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
80%	85%	85%	59%	

2.1 **Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES   Question Weight: 20%

Explanation: The Border Security Program has developed adequate long term performance measures and strategies. The program is targeted to protect the safety of American citizens who travel and live abroad and facilitate travel to the U.S. by legitimate foreign visitors and immigrants, while deterring entry by those who might abuse our immigration system or threaten national security. The BSP has measures to ensure the following outcomes: (1) U.S. citizens have the information, services and protection they need to reside or travel abroad; (2) Timely and effective passport issuance, with document integrity assured; (3) Timely and effective visa issuance; reduction of visa fraud.

Evidence: BPP, DoS Perfomance Plan, and DoS Strategic Plan. CA's performance measures and goals include: To enhance citizen services by deployment of an on-line registration system; annual updates of the Consular Information Sheets; and to enhance homeland and border security by collecting a biometric for inclusion in passports and visas. CA also has organized Consular Management Assistance Teams (CMATs) to visit, assess, and provide guidance to posts in strengthening consular management practices.

2.2 **Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?**

Answer: NO   Question Weight: 15%

Explanation: THe BSP does not have adequate annual goals that measure outputs and outcomes that are discrete and measurable. OMB will work with Consular Affairs to develop better annual goals. The CA Bureau Performance Plan outlines annual performance measures in FY02-FY06 that demonstrate progress toward achieving the program's long-term goals with respect to passports, visas, and consular services to US citizens. Of particular mention is the "visa roadmap" that outlines changes to be made in the visa issuance/denial process. This plan addresses many of the concerns cited in the 2002 GAO and OIG reports. CA has begun issuing a series of standard operating procedures that provide a step-by-step, unambiguous guide for all visa procedures.

Evidence: CA Bureau Performance Plan; DoS Performance Plan and Performance and Accountability Report, Visa Roadmap. The BSP now has annual goals that reflect greater linkage to the longer term goals. For example, one long term goal is improved security of the U.S. passport. CA is now issuing photo-digitized passports at all domestic facilities and has moved almost all overseas passport work to our domestic passport facilities to take advantage of this more secure technology. In Sept. 2002, CA launched an Interim Student and Exchange Authentication System that provided electronic verification of foreign students and exchange visitors applying to enter the US until the advent of the DHS Student and Exchange Visitor Information System in March 2003. A more secure "Lincoln" visa was rolled out, the latest NIV software release incorporates enhanced data collection and improved scanning features to help with security-related tasks, and a facial recognition pilot began for nonimmigrant visas.

Program: Visa and Consular Services
Agency: Department of State
Bureau: Consular Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
80%	85%	85%	59%	

2.3 **Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?**

Answer: YES Question Weight: 10%

Explanation: Consular Affairs has many program partners including several Federal agencies and contractors. CA is working hard to develop more effective partnerships with all of their program partners, however, that is not a simple process and requires all partners to be willing to cooperate. All major contracts incorporate performance standards that identify program requirements and deliverables. Contractors are required to measure and report on their performance on a monthly or quarterly basis on issues that directly relate to program goals, however, they are do not report on progress as it direclty relates to the program's long term goals.

Evidence: Contracts. The National Passport Center (NPC) the Charleston Passport Center (CPC), the National Visa Center (NVC) and the Kentucky Processing Center (KPC) depend on contractors. In addition, software development contractors are critical to continued improvement in IT initiatives. Each contractor provides either written or verbal performance reports to the Contracting Rep. CA also has 3 call center contracts to handle calls from AmCits seeking general information on consular services. Without this support, CA would not be able to meet the demand for passports, the legal mandate under the INA to issue visas to eligible applicants, or effectively support AmCits seeking consular services. Service partners at passport acceptance facilities commit to and work toward passport goals. CA works closely with IIP on the "Destination USA-Secure Borders.Open Doors" web site (http://unitedstatesvisas.gov) to supplement CA's visa information on the Internet. Annually, PPT provides the "PPT Agent's Reference Guide" outlining new procedures.

2.4 **Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?**

Answer: YES Question Weight: 15%

Explanation: Border security and consular activities are interdependent with all appropriate agencies. CA collaborates and coordinates effectively with the new Department of Homeland Security as well as a number of intelligence agencies. A DoS-DHS MOU will define visa authorities under the Homeland Security Act (PL 107-296). The security features of the US passport are developed in close collaboration with the intelligence community. Data sharing is active with the SSA, DHS, US Marshals, FBI, etc. CA works with international organizations and foreign countries on matters of concern. CA's Assistant Secretary traveled to Mexico and Central America and twice to the Middle East to consult with governments on international parental child abduction and other consular issues.

Evidence: MOUs, Entry-Exit Charter. During FY03-05, the biometric program for visas and passports is the key program among DoS, DHS, DoJ, and NIST. Datashare efforts with other agencies continues to improve as shown by the number of records in CLASS obtained from the FBI and intell agencies. DoS approved an Entry-Exit Project Charter, drafted jointly with DHS and DOT, that sets the parameters for an automated system to record the arrivals, departures, and stay activities of foreigners. CA worked with DOJ's Office for Victims of Crime to establish expedited procedures that CA can use after terrorist incidents injure or kill AmCits overseas. A DoS-SSA MOU permits information-sharing on certain visa requests. CA worked with ICAO and the G-8 to set global standards for biometric travel documents and passport issuance security. CA continues to be a member of a five nation consortium that meets yearly to discuss and partner on consular trends and international passport issues and consults weekly by phone on citizens services.

Program:	Visa and Consular Services		
Agency:	Department of State		
Bureau:	Consular Affairs		
Type(s):	Direct Federal		

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
80%	85%	85%	59%	

2.5 **Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?**

Answer: YES Question Weight: 15%

Explanation: Due particularly to the potential for fraud in visa and passport programs, Consular Affairs strengthens its systems and programs through internal IV&V processes, management controls and independent evaluations. GAO frequently conducts reviews of visa processes (See "Border Security, Visa Process Should Be Strengthened as an Antiterrorism Tool, Oct. 2002). The Department has a Critical Infrastructure Program that reviews CA systems initiatives. CA contracts for an in-depth review of all processes and costs in order to update consular fees annually. In addition, the IG reviews CA programs regularly.

Evidence: DoS Performance and Accountability Report. GAO frequently conducts reviews of consular processes. GAO's Report 03-132NI, "Visa Process Should be Strengthened as an Anti-terrorism Tool", has been a primary guide in thinking through the approach to strengthening the visa process, developing a roadmap for change, and issuing a series of instructions on standard operating procedures (SOPs). DoS has a Critical Infrastructure Program that reviews CA systems initiatives. CA organized the Consular Management Assistance Teams initiative to reinforce SOPs and management controls at overseas posts. The IG reviews CA programs regularly. Diplomatic Security performs security audits on IT systems. In addition, a contract was awarded to IBM for a new Cost of Service Study completed this summer.

2.6 **Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?**

Answer: YES Question Weight: 15%

Explanation: CA has a consistent, transparent way to display the full cost of achieving performance targets. CA programs are linked to resource needs through the Department's and Bureau's performance plan and budget. Consular Affairs identifies the costs of each of its major activities annually in its Cost of Service Study including: Visa Processing, American Citizen Services and Passport Services. Total costs are reflected in the fees charged for each of the various consular services.

Evidence: Budget in Brief, CPD, Bureau Performance Plan, Consular Package, Cost of Service Study, DoS Performance Plan. As a fully fee funded program, CA has (until recently) been able to accommodate the cost of legislative changes through revenues. CA must respond quickly and effectively to both a changed security environment as well as to policy directions provided by DHS. CA has restructured the Visa Office to meet these needs by mixing government personnel with more flexible work arrangements using contractors to handle non-instrinsically-governmental work. When mandated by Congress to implement a fingerprint program, the legislation allowed DoS to charge a fee for fingerprints taken. The Diversity Fee was established specifically to allow DoS to implement the Diversity Lottery Program. Since FY94, the MRV fee (currently $100) has supported the Border Security Program.

Program: Visa and Consular Services
Agency: Department of State
Bureau: Consular Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
80%	85%	85%	59%	

2.7 **Has the program taken meaningful steps to address its strategic planning deficiencies?** Answer: YES Question Weight: 10%

Explanation: CA adjusts its plans as appropriate to address deficiencies. CA consistently responds to deficiencies identified in internal management reviews and independent reviews. CA developed and has begun implementing a visa roadmap to address recommendations in those reviews. CA has modified relevant performance plans to adjust to new responsibilities (which include the gathering of increased biometric information, electronic data entry for all visa applicants, retaining all rejected visa applications, and multiple finger print data). CA has moved issuance of passports from overseas to National Passport Center and issued guidance to posts setting forth strengthed SOPs for visa processes. There are still additional steps that need to be taken that require additional funding to address all identified deficiencies, particularly those identified by the October 2002 GAO report.

Evidence: DoS Performance and Accountability Report; Visa Roadmap. CA's goal is to make the visa process as secure as possible and to support our overall homeland security efforts so that - with the immigration check at ports-of-entry and enhanced capabilities of DHS - it will form a coordinated and interlocking network of border security in which US citizens can be confident. The goal of the MOU between DoS and DHS is to establish a seamless relationship with DHS in managing the visa function abroad. In addition, OIG and GAO recommendations have been adopted, and numerous instructions to field offices around the world concerning new SOPs to be followed address the deficiencies noted in GAO and OIG reports and other potential vulnerabilities (see copies of cables).

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 15%

Explanation: CA collects performance information in its performance report and on contract performance. CA continues enhancements to the CCD, which captures real-time workload data from overseas. CA also conducts an annual survey of posts (Consular Package) seeking information on consular workload, management and resource issues. CA works with other agencies, including DHS, FBI, and SSA, to identify where data collected by DoS may be useful to them. In FY03, CA negotiated two MOUs on datasharing. In FY04, CA plans to establish MOUs with intelligence and law enforcement agencies. The long range target is to establish MOUs with federal agencies that provide benefits to aliens (SSA; HHS). CA continues to revise the data entered into all automated systems so that information can be shared immediately with concerned law enforcement and intelligence agencies. DoS also continues to maintain its agreements with the Treasury for domestic lockbox consular fee collection. The lockbox agreements have production standards and processes the banks must follow.

Evidence: DoS Performance and Accountability Report. Data from the CCD and Consular Package helps CA identify workload, staffing, and fraud trends. The incorporation of over 7M records from the FBI's National Crime Information Center (NCIC) as well as a threefold increase in namecheck records from the intelligence community into the Consular Lookout and Support System (CLASS) provide enhanced access to critical information. CA provided the National Institute of Standards and Technology (NIST) with over 1M photographs and 5M fingerprints of visa applicants for use in their facial recognition testing and work on biometric identifier standards and systems.

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?**

Answer: NO   Question Weight: 15%

Explanation: No, Federal Managers, program partners, and contractors are not held fully accountable for cost, schedule and performance results. However, contracts awarded identify project requirements and deliverables that support program objectives. Federal program partners that participate in MOU's, both internal and external to DoS are also held accountable for performance relative to the terms of the MOU but to no greater extent. Contractors are required to present monthly or quarterly performance reports that track performance results, costs, and schedules. In addition, Federal partners are members of several interagency working groups that discuss CA issues, particularly data sharing and visa requirements but the true cost of services are rarely made apparent in these discussions.

Evidence: Contracts, MOUs. CA continues its interagency agreements that set forth production standards for all lockbox operations (both visa and passport operations) and works closely with Treasury (the agency that coordinates all USG lockbox agreements) whenever there is a performance problem. CA uses a number of primary contracts in support of consulates and passport agencies to manage: (a) the biometric border crossing card project; (b) the Passport Modernization System; (c) installation of the Passport Records Imaging System Management (PRISM); (d) the HHS/Passport Services Child Support Assistance program, whereby states collected approximately $15M in arrearages directly due to the passport denial program. CA has broadened cooperation with Diplomatic Security (DS), creating a Vulnerability Assessment Unit in CA to alert us to possible malfeasance trends through statistical analysis. CA is engaged in ongoing discussions with Mexico and Canada regarding greater cooperation on immigration, security, and visa issues.

3.3 **Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES   Question Weight: 15%

Explanation: The Border Security Program obligates at a rate exceeding 99% of planned obligations, minimizing the carryforward of planned spending amounts.

Evidence: DoS provides programmatic and performance justification for Border Security Program spending in the Department's Budget in Brief, Congressional Presentation Document, and baseline reprogramming notifications; Apportionments; and D&CP Program and Financing Schedules.

Program: Visa and Consular Services
Agency: Department of State
Bureau: Consular Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
80%	85%	85%	59%	

3.4 Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES Question Weight: 15%

Explanation: Consular Affairs reviews its costs and personnel requirements in cost of service studies. All costs and services can be measured by units and targets. In addition, Consular Affairs is required to submit annual reports to OMB on IT performance (OMB Exhibit 300's). All acquisitions are in accordance with DoS and GSA acquisition guidelines. CA examines work processes to determine whether competitive sourcing is an option (under the FAIR Act) and when competitive sourcing is possible and contractors are available CA utilizes their services. Approximately 50 percent of CA's overall domestic labor requirements are obtained through competitive sourcing.

Evidence: Exhibit 300's, FAIR Act. CA continues the process of identifying tasks in the immigrant visa process that can be shifted from overseas posts to the National Visa Center (NVC) or the Kentucky Consular Center (KCC) in order to use resources more effectively and improve service to US-based petitioners and agents.The Cost of Service study provides a complete cost analysis of all consular operations. The study will address funding shortfalls expected in FY04 and beyond due to border security enhancements, including biometrics collection. CA has competitively sourced almost all of its non-governmental functions in passport and visa processing. In addition, 3 call centers are operating that are critical to CA's basic mission. These call centers and processing facilities have enabled CA to recognize economies of scale in visa and passport processing. CA has implemented IT support in the visa lookout system to support DHS's National Security Exit Registration System.

3.5 Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?

Answer: YES Question Weight: 15%

Explanation: The direct hire employees of the Department of State and their benefits and related overhead are budgeted through the Department's central salaries account. All of the program annual costs are budgeted through the budget process and do include the full annual costs of operating the program. In addition, CA conducts a periodic review of all costs in order to determine if the fees charged for services are appropriate. The study examines both direct and indirect costs.

Evidence: Cost of Service Study; Consular Services Fee Schedule; BIB; CPD

3.6 Does the program use strong financial management practices?

Answer: YES Question Weight: 15%

Explanation: CA has not received any negative reports from the CFO regarding financial management. Revenue data is reviewed on a monthly basis. CA provides updated guidance to posts on how to handle fee collections annually. The CA bureau continues its efforts to review all processes to ensure against any visa and passport vulnerabilities. CA is taking steps to address specific deficiencies noted in GAO and OIG audits.

Evidence: Department's Accountability Report; Consular Management Handbook; Template MOU for overseas posts desiring to set up off-site fee collection with banks.

Program: Visa and Consular Services
Agency: Department of State
Bureau: Consular Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
80%	85%	85%	59%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 10%

Explanation: CA continues to address management deficiencies to ensure that all consular personnel have procedural guidance to fulfill effectively their critical national security responsibilities. CA conducts quality assessments to evaluate and support program initiatives and provides consular employees with the guidance, tools, training, and facilities that allow them to make the best use of their skills and talent. Following up on FY02 efforts to reinforce management controls, in FY03 CA began issuing a series of standard operating procedures and sending Consular Management Assistance Teams (CMATs) to high-priority or special-needs posts to help them strengthen the visa process and consular management practices. CA continued its Management Assessment and Internal Controls Reviews at passport facilities. To help detect terrorists who are not in any of the available watchlists, CA worked to enhance the training of consular officers in specific interviewing and counter-terrorism areas.

Evidence: Visa Roadmap, SOPs. The use of CMATs to assess the integrity of management controls and SOPs has been highly effective in identifying and correcting deficiencies. An expanded Regional Consular Officer Program also provides management advice and help to posts. CA's new Vulnerability Assessment Unit will use consular systems to analyze questionable patterns and detect potential breakdowns in internal controls at posts. CA has continued to revise the name clearance processes to weed out suspected terrorists, e.g., the first update of more than 7 million FBI names in the lookout system. Fingerprint submissions from the FBI are averaging 2,100 per month. GAO Reports "Visa Process Should be Strengthened as an Antiterrorism Tool" (GAO-03-132) and "Major Management Challenges and Program Risks" (GAO-03-107) provided recommendations that DoS has followed. Recent instructions remind field offices of existing management control responsibilities and provide guidance on new procedures to be instituted to improve management.

4.1 Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)? Answer: NO Question Weight: 25%

Explanation: The BSP is on target to meet its long term goals and has many accomplishments since its start in FY94, including: (a) the necessary staff to meet visa demand overseas; (b) a CCD that allows officers to make better decisions during case adjudication; (c) modernized equipment to consular sections overseas; (d) better lookout systems; (e) a biometric BCC; (f) a photodigitized passport. A current long-term goal is a program to collect a biometric from travelers and incorporate it into US travel documents as required by EBSAVERA. Much work has been done to determine the biometric standards to be used. CA has increased the amount and timeliness of the information it provides to help Americans avoid trouble abroad and done most of the work necessary to create an on-line registration system so that they can be contacted in emergencies. CA has developed outreach programs to provide the American public with a better awareness of consular services and assistance available.

Evidence: DoS Performance and Accountability Report, DoS Perf. Plan, BPP, Exhibit 300s for IT, BIB. Other evidence:(a) deployment of the new, tamper-resistant Lincoln visa; (b) automated crosschecking of new derogatory information (i.e.,lookout list entries) against records of previously issued visas; (c) elimination a loophole that allowed certain non-immigrant aliens to re-enter the US with an expired visa; (d) strengthening of CLASS by the addition of names from law enforcement/intell agencies and algorithms that improve searches of Russo-Slavic, Arabic and Hispanic names; (e) participation in the EU fraudulent documents working group, sharing information on smuggling strends, fraud patterns and document fixers; (f) a facial recognition pilot for nonimmigrant visas.

Program: Visa and Consular Services
Agency: Department of State
Bureau: Consular Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
80%	85%	85%	59%	

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: large extent Question Weight: 25%

Explanation: In the area of citizen services, DoS will continue to serve the American public by providing US citizens with travel warnings and up-to-date consular information sheets. CA will continue to meet passport workload to ensure timely passport issuance. Contract support will help to make achievement of goals possible. Visa issuance/denial continues to be a critical mission, and several key improvements have been implemented in the last year. CA worked extensively with DHS on visa goals and with DHS, NIST, ICAO and others to develop biometric standards to be used internationally and in US travel documents.

Evidence: DoS Performance and Accountability Report, BPP. In FY02, CA issued over 7M passports; handled 225,000 welfare/whereabouts cases, 6,300 deaths, 3,500 illness/injury cases, 2,800 arrests, and 311,000 notarial and judicial services involving citizens abroad. CA worked with DHS to help adoptive parents bring more than 20,000 foreign orphans to the US. Travel warnings and other travel safety information are published on the CA web site, on which the level of hits rose to 128M in FY02 and 160.7M in the first 10 months of FY03. In FY03, data on deaths abroad from non-natural causes was added to help Amcits assess the risk they face in each country. CA continuously monitors workload. In addition, the lookout system has been vastly amplified by the inclusion of millions of names from law enforcement and the intelligence community.

4.3 Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year? Answer: large extent Question Weight: 25%

Explanation: CA has implemented a number of efficiencies in the consular processes and continues to reassess costs to find the most cost-effective way to implement the many new security requirements in visa and passport processing as well as in the provision of services to Americans overseas.

Evidence: DOS Performance and Accountability Report. CA has maximized the effectiveness of the processing facility in Kentucky by locating many critical projects there, including the OF-156 storage project, the Facial Recognition Pilot, the Category I scanning and attaching to CLASS project, and the Alternate Processing Center for CLASS. CA has deployed the new Passport Record Imaging System Management (PRISM-A) at all domestic passport facilities. It allows all consular offices worldwide to have electronic access to full images of issued passports and photos. CA has maximized the effectiveness of CLASS by integrating not only FBI records, but also the US Marshals database "Warrants Information Network" (WIN) containing outstanding federal warrants. All of these initiatives demonstrate improved efficiencies and cost effectiveness of the BSP. Inclusion of WIN in CLASS also made possible over two dozen arrests of fugitives.

4.4 Does the performance of this program compare favorably to other programs with similar purpose and goals? Answer: n/a Question Weight: 0%

Explanation: Because the Department of State has sole authority to issue visas and passports, as well as offering official assistance to American citizens in distress overseas, there are no realistic comparions to be made with other government or non-government programs.

Evidence:

Program: Visa and Consular Services
Agency: Department of State
Bureau: Consular Affairs
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
80%	85%	85%	59%	

4.5 **Do independent and quality evaluations of this program indicate that the program is effective and achieving results?**

Answer: Yes

Question Weight: 25%

Explanation: CA uses IV&V processes and management controls to strengthen its programs. CMATs strengthen management oversight at overseas posts. CA's Vulnerability Assessment Unit uses CA's systems to detect anomalies in visa and passport processing and reduce vulnerability to malfeasance. CA programs are heavily scrutinized in independent evaluations. In FY02-03, consular activities were the subject of more than 10 reviews by GAO and other outside organizations, as well as by the IG and other DOS bureaus. CA programs are currently achieving the intended results. Gaps in interagency datasharing remain an issue. CA has made great strides to remedy previous practices, e.g., populated the lookout system with data from law enforcement and intelligence agencies, revised the clearance process to better identify suspected terrorists, tightened the rules on visa interviews, and increased datasharing between agencies.

Evidence: DoS Performance and Accountability Report, DS Security Reviews of IT Systems. GAO reports include Department of State Programs to Combat Terrorism Abroad GAO-02-1021; 'Selected Agencies Handling of Personal Information GAO-02-1058; "Major Management Challenges and Program Risks" GAO-03-107; "Visa Process Should Be Strengthened as an Antiterrorism Tool" GAO-03-132; New Policies and Procedures Needed to Fill Gaps in the Visa Revocation Process GAO-03-798. SOPs are being implemented and updated. CA organized Consular Management Assistance Teams to assess, recommend, and reinforce SOPs at overseas posts. In addition, a contract was awarded for a new Cost of Service Study to be completed this summer.

PART Performance Measurements

Program: Visa and Consular Services

Agency: Department of State

Bureau: Consular Affairs

Measure: Ensure that American Citizens who travel and live abroad have access to travel information and consular services

Additional Information: Target:2004 - On-line registration system will be able to deliver travel safety information to citizens as they register. Actual Progress achieved toward goal:FY2002: 0% FY 2003: 0% - The registration system is being tested while we await OMB approval for the information collection.

Year	Target	Actual
2004	1	0
2003	1	0
2002	1	0

Measure Term: Long-term

Measure: Timely and Effective Passport Issuance with document integrity assured

Additional Information: Target:2006 - Development of a Biometrics Collection Program for U.S. Passports - 100% of passports will include biometric data Actual Progress achieved toward goal:0% of passports include biometrics. Initial planning. RFI issued. Contractual support procured to evaluate technology. ICAO set international standards for biometrics.

Year	Target	Actual
2006	1	
2005	1	
2004	0	0
2003	0	0

Measure Term: Long-term

Measure: Facilitate travel to the US by qualified foreign visitors, immigrants and refugees while preventing entry by those who abuse US immigration laws or threaten national security

Additional Information: Target:2006 - Development of biometric collection program for US visas - 100% by 2006 Actual Progress achieved toward goal:2003 - Continued to collect biometrics for BCC laser visas issued to Mexicans, about 27% of NIVs issued. Worked with DHS and NIST to develop biometric standards for US visas. Used facial recognition (FR) technology to disqualify over 20,000 winners in the annual Diversity Visa lottery for filing duplicate entries. To evaluate FR's full potential for combating fraud, launched a facial recognition pilot for nonimmigrant visas.

Year	Target	Actual
2006	1	0
2005	1	0
2004	1	0

Measure Term: Long-term

PART Performance Measurements

Program: Visa and Consular Services

Agency: Department of State

Bureau: Consular Affairs

Measure: Timely and Effective Passport Issuance with document integrity assured

Additional Information: Performance Target: Number of weeks in which passport services work in progress was less than three times the number of weekly passport applications   Actual Performance:FY 2003 Performance Target: 100%   Actual: So far in FY03, the goal of 100% has been met.

Measure Term: Annual

Year	Target	Actual
2004	1	1
2003	1	

Measure: Facilitate travel to the US by qualified foreign visitors, immigrants and refugees while preventing entry by those who abuse US immigration laws or threaten national security

Additional Information: Performance Target: Number of posts assessed by Consular Management Assistance Teams (CMAT) to ensure proper visa practices.   Actual Performance:This is a new goal beginning in 2003. Baseline: FY 2002: 0 CMAT assessments. Target for FY 2003: 20 high-priority or special-needs posts assessed. Actual: 16 [part-year total]. Target for FY 2004-2006: 30 each year.

Measure Term: Annual

Year	Target	Actual
2006	30	0
2005	30	0
2004	30	0
2003	20	16
2002	0	0

Program Assessment Rating Tool (PART)

Program:	Worldwide Security Upgrades
Agency:	Department of State
Bureau:	Diplomatic Security
Type(s):	Direct Federal

Section Scores				**Overall Rating**
1	2	3	4	Moderately Effective
100%	85%	90%	60%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 10%

Explanation: The program was created in response to the 1998 embassy bombings in Nairobi and Dar es Salaam when it became evident that previously categorized low and medium threat posts were now vulnerable to the threat of transnational terrorism. The mission of the Worldwide Security Upgrades (including Diplomatic Security) is to enhance and sustain worldwide security operations and support homeland security and counterterrorism efforts. 50 different security projects were initiated to bring all posts to a similar level of security. Of the 50 initial projects, 47 have been completed and 3 are ongoing. Each project was tracked until completion. Once completed, these projects continue to have recurring costs involved with maintaining a higher level of security and keeping countermeasures in place.

Evidence: A. WSU Budget Amendment 1998,B. Budget in Brief 2000-2003,C. Congressional Presentation Documents 2000-2003,H. Compliance Matrix tracking WSU progress,I. Close-out Reports for WSU Projects from 2000-2003.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 25%

Explanation: The Worldwide Security Upgrade (WSU) Program was created to address a specific threat. In the aftermath of the embassy bombings in Africa, posts that had previously been placed in the low and medium threat category were now vulnerable to the threat of transnational terrorism. WSU addresses security and safety needs both domestically and overseas for USG staff and their families. WSU supports programs that provide enhanced physical and technical security measures and continues defensive countermeasures that lessen our vulnerability to global terrorist threats. Project Management data shows actual goals for each activity and why.

Evidence: A. WSU Budget Amendment 1998,B. Budget in Brief 2000-2003,C. Congressional Presentation Documents 2000-2003,I. Close-out Reports for WSU Projects from 2000-2003

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight: 30%

Explanation: DS is the DOS element responsible for providing a secure environment for the conduct of American diplomacy worldwide. This is the only global effort to keep vulnerability low and continue defensive countermeasures to help thwart terrorists attacks or mitigate their effects against diplomatic missions. Among other security responsibilities, DS was charged with the resposibility to protect all American personnel assigned to U.S. diplomatic missions abroad and some domestic. In order to accomplish this mission, DS provides physical protection for DOS office/residential facilities. The 1999 ESA expanded the scope of existing programs and introduced new programs. No other USG entity shares this responsibility overseas.

Evidence: G. Omnibus Diplomatic Security and Antiterrorism Act of 1986,A. WSU Budget Amendment 1998

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	90%	60%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

Answer: YES Question Weight: 15%

Explanation: WSU was estabished as a 5-year program to meet certain specific security related needs of all USG missions overseas. The program has a very simple design, clear purpose and clear and well established final goals and targets. WSU is comprised of multiple programs, overall effectiveness and efficiency is not dependent upon any one particular project as both GAO and OIG studies found, WSU funds were administered well for the WSU security upgrade projects.

Evidence: S. GAO-01-252-Major Management Challenges - DOST. GAO/NSIAD-00-83 - State Department - Overseas Emergency Security ProgramY. OIG Audit Report on the Tracking and Monitoring Emergency Supplemental Appropriation Funds.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES Question Weight: 20%

Explanation: Resources are specifically targeted to posts to address security needs directly. The WSU created a foundation on which the Department is building its long-term security posture. The strategy includes the sustainment of programs that provided immediate security upgrades on a worldwide basis and to begin the process of physically modifying our facilities including relocation of those posts in most imminent danger.

Evidence: B. Budget in Brief,H. Compliance Matrix Tracking WSU Progress, I. Close Out Reports for WSU Projects from 2000-2003,L. Status Reports for WSU Projects from 2000-2003,M. List of Posts for WSU Projects from 2000-2003N. Product list for WSU Projects from 2000-2003,Z. Threat Assessment Rating/listing process.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: YES Question Weight: 10%

Explanation: Continued implementation of security countermeasures heightens security at primarily lower threat posts to meet standards formally only required at high and critical threat posts. All posts will have upgraded technical security equipment. New terrorist trends, tactics and targeting patterns will be detected and used to detemine DS overseas resource requirements and protective security needs. A capital replacement plan for vehicles and equipment will be created. TSU and Chemical/biological implementation are significant long-term projects specifically focusing on the purpose of the program. Due to the urgency of the threat situation, most projects were short-term, quickly implemented, and are now in an operational mode.

Evidence: F. Bureau Performance Plans 2000-2003,H. Compliance Matrix Tracking WSU Progress, I. Close Out Reports for WSU Projects from 2000-2003,L. Status Reports for WSU Projects from 2000-2003,O. Milestone Reports for WSU Projects from 2000-2003.

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	90%	60%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 10%

Explanation: The WSU program was designed as a 5-year program, beginning in 1999 and ending in 2004. The long-term goals are to reach and maintain a level of security that meets an established threat level at all posts and domestically. Threats are assessed, levels and responses adjusted to secure existing facilities and establish a baseline from which posts can build from in the future. An example of the ambitious targets that have been set by the program include completing TSU projects worldwide in 5 years and launching a ChemBio Program to provide training and escape masks to more than 60,000 personnel within 2 years.This is a flexible program which is critical to meet new crises without disrupting vital security operations. Assignment of additional security agents to domestic offices reduces the costs associated with overseas assignments, addresses domestic program requirements and directly supports the overseas security mission. Perimeter security has been a major aspect of our efforts. Survey teams revealed unique types of vulnerabilities and deficiencies far beyond most posts ability to manage. Based on these comprehensive surveys, we established a multi-year plan and an integrated approach to addressing post vulnerabilities and setting perimeter security goals.

Evidence: F. Bureau Performance Plans 2000-2003,H. Compliance Matric Tracking WSU Progress,J. Gantt Charts for WSU Projects from 2000-2003,L. Status Reports for WSU Projects from 2000-2003K. Charters/Plans for WSU Projects for 2000-2003 (Chem/Bio Project Plan & TSU Project Plan)

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 15%

Explanation: DS has very specific long term goals and is working to develop more specific annual targets and goals based on the mission of the program. This program was designed to exist for 5 years (with additional maintenance requirements thereafter). All goals are long term and have short term components but in this case there are biannual goals. The duration of the program is limited and the goals tangible. Completion of physical and technical security upgrades, counterintelligence and personnel investigations, overseas infrastructure and management programs, stand alone programs and personnel, domestic security, chemical/biological countermeasures. All contribute toward providing a safe working environment for USG personnel domestically and on official duty abroad.

Evidence: F. Bureau Performance Plans 2000-2003, I. Close Out Reports for WSU Projects from 2000-2003,H. Compliance Matrix Tracking WSU Progress,L. Status Reports for WSU Projects from 2000-2003,O. Milestone Reports for WSU Projects from 2000-2003.K. Charters/Plans for WSU Projects for 2000-2003 (Chem/Bio Project Plan & TSU Project Plan)

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight: 15%

Explanation: The Program's first efforts were to re-establish operations at Nairobi and Dar es Salaam, make immediate security upgrades to all posts worldwide and then begin the process of upgrading facilities and equipment to meet heightened security threats. When the program was created, baselines for many projects were "zero" because efforts were new. For others, countermeasures formally at only high or critical threat posts (20%) were expanded to all posts (100%). DOS is committed to achieving and maintaining the most comprehensive and cost-effective worldwide security coverage possible. WSU goals are: to extend activities that began with ESA funding, build and strengthen existing programs, exercise the flexibility to undertake new initiatives and to support programs to continue defensive countermeasures that lessen our vulnerability and thwart attacks and mitigate their effects.

Evidence: F. Bureau Performance Plans 2000-2003,H. Initial Compliance MatrixTracking WSU Progress,

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	90%	60%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: NO   Question Weight: 5%

Explanation: Most of the work involved is within Diplomatic Security's control. However, the Office of Overseas Buildings Operations contributes a portion of the Technical Security Upgrade long-term goals and the Overseas Security Policy Board, which is comprised of major agencies with staff overseas in US missions, is kept informed of these security measures that protect personnel from all USG agencies abroad. All of the agencies participate in the Emergency Action Plan and collaborate on security measures at post.

Evidence: H. Compliance Matrix tracking WSU progress,J. Gantt Charts for WSU Projects from 2000-2003,L. Status Reports for WSU Projects from 2000-2003,Q. OSPB Independent Oversight.

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES   Question Weight: 15%

Explanation: The OIG Audit, Tracking and Monitoring Emergency Supplemental Appropriation Funds, determined that DOS's systems/processes for tracking/monitoring supplemental funds were sufficient to ensure that the Department could fully account for funds expended based on transactions recorded and provide information needed to properly manage ESA funds and programs. The Audit of the Surveillance Detection Program found that the worldwide establishment of an entirely new security initiative against terrorism was a significant achievement. The Audit of the Armored Vehicle Program shows that the OIG supports the actions taken by DS to address the replacement program, Armored Vehicle Security Standards and actions to fully support the programs needs including right-hand drive vehicles. The Audit of the Explosive Detection Program revealed that management controls were adequate and explosive detection equipment operated without false positive readings contributing to the layered defensive system at posts overseas. The OIG/SIO continues to review/audit security programs.

Evidence: V. OIG Report SIO-A-02-09, Management of the Armored Vehicle Program,W. OIG Report 01-FMA-R-006, Surveillance Detection Program,X. OIG Report AUD/PPA-02-08, Overseas Explosive Detection Program,S. GAO Report GAO-01-252 Major Management Challenges and Program Risks - DOS January 01,U. GAO Report GAO-02-1021 Combatting Terrorism DOS Programs

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	90%	60%	

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?

Answer: YES Question Weight: 15%

Explanation: The Program Planning System (PPS) utilized by DS, is a centrally managed, Bureau-wide method of prioritizing Bureau activities, responsibilities and objectives. The PPS allocates funding levels for all DS programs and documents staffing requirements. Funding levels for programs in security are recommended to the A/S only after intensive scrutiny by the Budget and Planning Working Group. Monthly Resource Board meetings involving A/S and senior managers ensure critical priorities are on track and funded. In determining a programs budget, we review and annualize prior year objectives. In our budget requests to DOS, overall WSU funding amounts are identified for a specific number of items for each project as described in our performance measures. The Budget Planing Working Group identifies dollars that relate to each performance measure. For instance, in FY05, SMSI has a $5m budget request for 40 posts.

Evidence: K. Project Charters/Plans for WSU Projects for 2000-2003,AA. BPWG records,BB. Quarterly A/S Resource Management Meetings,B. Budget in Brief,F. Bureau Performance Plan,C. Congressional Presentation Documents,O. Milestone Reports for WSU Projects from 2000-2003R. Automated Program Planning System (APPS).

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies?

Answer: YES Question Weight: 15%

Explanation: The OIG Status Report, Review of FY 1999 ESA, identified several issues relating to reporting, post allotments, and obligations incurred prior to receiving ESA funds. The OIG Audit, Tracking and Monitoring ESA Funds, summarized the OIG's review of the systems and processes DOS established to account for ESA funds. DS utilized FMP's guidance in its Emergency Supplemental Financial Controls and Coding Structure to provide specific guidance to the field and define its reporting and management information needs to segregate Security Supplemental costs from regular costs for all components of the local guard program. DS, in conjunction with FMP/ICASS developed specific function codes for tracking WSU funds to make sure security funding was used for the right purpose. The new A/S for DS held a Strategic Planning Meeting in December which focused on the Bureau's mission, performance and strategies. DS has developed a new mission statement and goals and continues the development of the Bureau's strategic plan.

Evidence: F. Bureau Performance Plan,R. Automated Program and Planning System (APPS),BB. Quarterly A/S Resource Management Meetings.Y. OIG Report 00-FM-025, Tracking and Monitoring Emergency Supplemental Appropriation Funds.

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	90%	60%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES   Question Weight: 15%

Explanation: DS collects monthly updates on Bureau Milestones and Projects and convenes quarterly status meetings to ensure performance is on track.Program Management Teams in conjunction with the RSOs conduct program management reviews(PMRs)of all guard contracts overseas and guard posts to determine if the conduct of operations is within the scope of the contract. Modifications to contracts to include reduction in force, elimination and/or establishment of new guard posts are accomplished through PMRs and have resulted in reduced costs to the program worldwide. As an example of how the PMRs improve efficiency of the program and result in savings, PMRs conducted in Beirut, Bern, Berlin, Pretoria, Mexico, Nassau, Ottawa, Santo Domingo, Buenos Aires, AID, Peace Corps, and DoD in FY02, resulted in an $11m savings from areas such as recoveries of security support, value added tax, mobile patrols, corrective reimbursement from other agencies and correction of overpayment to contractors.PMRs improve the management capabilities and operations of the Local Guard Program on a WW basis.

Evidence: H. Compliance Matrix tracking WSU progress,L. Status Reports for WSU Projects from 2000-2003,O. Milestone Reports for WSU Projects from 2000-2003,P. Change Control Board Meeting Agendas/Minutes/Attendees,AA. Budget and Planning Working Group,BB. Quarterly A/S Resource Management Meetings.FF. Program Management Reviews (Berlin and Mexico)

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: NO   Question Weight: 10%

Explanation: As explained in Section 2.5 earlier, external partners are few. DS works in concert with OBO to accomplish certain TSU Projects. Managers within the Bureau are strictly held to cost, schedule and performance results. Contract arrangements are turn-key and are not directly managed by DS. DS works closely with regional bureaus as well as posts worldwide who provide information regarding cost and performance. As further explained in sections 3.1, 3.4 and 4.3, competing of local guard contracts and Program Management Reviews have resulted in improved management and savings to the program. Companies are held accountable for the proper billing of hours/functions to the contract.Because of the reactive nature of the program often program partners, embassies and OBO are not penalized for non-performance and are not rewarded for exceptional performance.

Evidence: K. Project Charters/Plans fro WSU projects for 2000-2003,O. Milestone Reports for WSU Projects from 2000-2003,L Status Reports for WSU Projects from 2000-2003,BB. Quarterly A/S Resource Management meetings,F. Bureau Performance Plan,H. Compliance matrix tracking WSU progress,J. Gantt Charts for WSU Projects from 2000-2003.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES   Question Weight: 15%

Explanation: Despite the fact that DS operated under a Continuing Resolution until February, 60% was obligated by mid-year. DS internal management information system and CFMS provide financial information, such as amounts obligated and expended, to provide program managers detailed and up-to-date information they need to manage WSU funds. Monthly status reports on obligations and commitments are prepared for the Bureau Management Review. The status reports and milestones ensure funds are obligated for their intended purpose.

Evidence: D. Central Finance Management System (CFMS),E. Automated Systems Data Input System (ASDIS),L. Status Reports for WSU Projects from 2000-2003,O. Milestone Reports for WSU Projects from 2000-2003.

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	90%	60%	

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES Question Weight: 15%

Explanation: For each program component the WSU program has a bidding process, program management reviews, comparison of invoices, and outreach to utilize outsouring.One example of how the procedures function would be local guard program which comprises the largest portion of WSU.Selection of local guard contracts are made at post based on technically acceptable and lowest price bids received at post through the formal solicitation for bids process.PMRs conducted at posts in conjunction with reviews of field budget plans,ICASS Global Database Budget Submissions,and reviews of contract solicitations/modificatons have been beneficial methods over the last 2 years to reduce costs to the program ww.The newly established Guard Schedule Database compares invoices of all guard posts worldwide for cost effectiveness and savings to the program.The security function for the domestic guard program has been outsourced since the mid-80s.An A-76 study evaluated the outsourced arrangement versus an in-house workforce and defined an efficient solution.The Study concluded that a mixture of outsourcing the baseline, recurring security tasks and in-house core components to perform inherently governmental functions was the most efficient manner to operate. The Chem/Bio Program sought assistance from the Soldier Biological Chemical (SBC) Command to identify previously USG tested equipment that meets the rigid qualifications before bids were sought for this equipment. The Technical Support Working Group set standards for a chem/bio mask. The Edgewood Chemical/Biological Testing Center found five major companies who met these standards. It took three and a half years to get a product verified to meet these standards. A newly established Chief Technology Officer (CTO) position has been filled to oversee and review all information technology (IT) initiatives in DS. The CTO will have primary responsibility for all management activities involving IT including the identification of program requirements and priorities, strategic planning, budget planning and formulation and general program oversight.

Evidence: CC. LGP contracting instructions, DD. A-76 study for Domestic Guards,EE. DS Reorganization.

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES Question Weight: 5%

Explanation: DS collaborates and coordinates with OBO, the regional bureaus and other government agencies as well as other programs to the extent possible. DS has developed security standards through collaboration with the Overseas Security Policy Board representing all federal agencies with overseas interests. This group provides a forum to ensure security concerns are appropriately addressed.

Evidence: H. Compliance Matrix tracking WSU Progress,L. Status Reports for WSU Projects from 2000-2003.

3.6 Does the program use strong financial management practices?

Answer: YES Question Weight: 25%

Explanation: Procedures are in place to confirm that all obligations contribute directly to the achievement of the programs and are properly allocated. Project Management concepts also contribute to this process. DS not only utilizes CFMS to provide financial information, such as amounts obligated and expended, to meet the Department's external reporting needs, DS also established an internal management information system to provide program managers with a more detailed and up-to-date information system that allows them to manage their programs and funding on a day-to-day basis.

Evidence: D. Central Finance Management System (CFMS),E. Automated Systems Data Input System (ASDIS,R. Automated Program and Planning System (APPS),AA. Budget and Planning Working Group,BB. Quarterly A/S Resource Management Meetings.

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	90%	60%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 15%

Explanation: To further ensure management deficiencies do not occur,DS is undergoing a significant reorg.DS needed to encourage greater operational efficiency and efficacy through sharing of information, skills, resources and facilities;improve coordination,planning and internal communication between programs with similar goals and eliminate overlap,near-sightedness and miscommunication caused by compartmentalization of skills, resources and planning.Under the restructured org, newly established Assistant Director positions exercise more direct oversight/planning for their respective progs.DS is developing web-based systems to provide best practices established from Bureau Management Processes to improve management and sharing of information.The GAO report on Embassy Security found that State allocated most of the emergency supplemental to upgrade security at its more than 250 embassies and consular posts, major projects to purchase and deliver armored vehicles, bomb detection equipment and x-ray equipment are on track and fulfilling the intended purpose.The Automated Program Planning System was developed to automate data collection for the DS program planning process. The Integrated Investigations Management System (Eagle) under development is an enterprise-wide investigative case management system to gather/report data in support of DS worldwide investigative mission.

Evidence: T. GAO Report GAO/NSIAD000-83, State Department - Overseas Emergency Security Program Progressing,R. Automated Program Planning System (APPS),BB. Quarterly A/S Resource Management Meetings,EE. DS Reorganization.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: LARGE EXTENT Question Weight: 25%

Explanation: For most projects, completion was a 2-year endeavor and was fully accomplished. 47 out of 50 projects have been completed. Chem/Bio Countermeasures, Technical Security Upgrades and X-ray equipment are the three remaining components. Long-term plan for TSU is on schedule for completion in 2004. This is a 5-year goal to improve security. After more than 3 years, the project has demonstrated more than adequate progress toward completion.The long-term goal for providing chem/bio masks when none previously existed also has exceeded adequate performance. DS has moved from R&D through testing and production to development with completion scheduled for the end of 2004. Physical security countermeasures along with procedural changes implemented over the last few years have thwarted attacks against USG facilities.The truck bomb attack against the Consulate in Karachi in 2002 where no official deaths or injuries of personnel occurred is an example of the effectiveness of these programs.

Evidence: F. Bureau Performance Plan 2000-2003,H. Compliance Matrix Tracking WSU Progress,I. Close out Reports for WSU Projects from 2000-2003.

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	90%	60%	

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight: 20%

Explanation: All USG personnel on official duty abroad and all employees working in the DOS domestic facilities perform their duties in support of diplomatic operations in safety from serious injury due to terrorism, political violence, or crime. Continuing with security upgrades and deploying effective countermeasures protect our employees and information. Supporting programs that provide enhanced security measures and continuing defensive countermeasures lessen our vulnerability against global terrorist threats. Ninety-five percent of WSU projects are completed and only three of the Department's initial projects (Chem/Bio Countermeasures, X-ray equipment and Technical Security Upgrades remains beyond FY2003 and will be completed in FY2004. All designated foreign dignitaries within the US are safe from physical harm. Access control systems have been installed at the HST building. No employee suffered physical harm at the DOS facility due to inadequate physical security or access controls. No incidents have occurred that resulted in bodily harm to a DS protectee. Terrorist acts against US interests are disrupted and individuals who plan or commit terrorist acts against US interests are captured or neutralized.

Evidence: F. Bureau Performance Plans 2000-2003.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: SMALL EXTENT Question Weight: 20%

Explanation: Local Guard funding comprises the largest portion of WSU. Competing LGP contracts at post results in technically acceptable and lowest price bids. Program Management Reviews, reviews of field budget plans, ICASS Global Database Budget Submissions, and reviews of contract solicitations/modificatons lowered costs at some posts, allowing for increased support at others, with a more efficient use of resources worldwide. The newly established Guard Schedule Database also compares invoices of all guard posts worldwide for cost effectiveness and savings to the program. To the extent possible and practical, the scope of TSU's are carefully determined and adhered to, to stay within budget and on schedule. Both Budget Planning Working Group and milestones processes, where funding and progress is tracked, ensures results are obtained and resources accounted for.

Evidence: H. Compliance Matrix tracking WSU progress,J. Gantt Charts for WSU Projects from 2000-2003,L. Status Reports for WSU Projects from 2000-2003.

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: LARGE EXTENT Question Weight: 15%

Explanation: The WSU program is unique in its purpose. The mandate for the program shows that the WSU program was developed to fill a gap and significant need. No other programs have the same mission.

Evidence: A. WSU Budget Amentment 1998,B. Budget in Brief,C. Congressional Presentation Document 2000-2003.

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	
100%	85%	90%	60%	Moderately Effective

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: YES

Question Weight: 20%

Explanation: The State Department's OIG has a Security Intelligence Oversight office dedicated to continuously reviewing security programs and security at posts. Reports consistently find security effective and recommendations of improvement are resolved. New initiatives undertaken for physical and technical security upgrades, infrastructure improvements, acquisition of goods and services, and enhancement of local guard programs have been reviewed by the OIG. The GAO reports to Congress included reports on Combatting Terrorism, State Department Challenges (Embassy Security, Security Upgrades), Lessons Learned from Terrorist Attacks on U.S. Embassies.

Evidence: V. OIG SIO-A-02-09, Management of the Armored Vehicle Program,W. OIG 01-FMA-R-006 Surveillance Detection Program,X. OIG AUD/PPA-02-08, Overseas Explosive Detection Program,Y. OIG 00-FM-025 Tracking and Monitoring Emergency Supplemental Appropriation Funds,S. GAO-01-252, Major Management Challenges and Program Risks,T. GAO/NSIAD 000-83 Overseas Emergency Security Program Progressing,U. GAO-02-1021 Combating Terrorism.

PART Performance Measurements

Program: Worldwide Security Upgrades

Agency: Department of State

Bureau: Diplomatic Security

Measure: All employees receive an update investigation every five years. Annual measures include number of employees who receive update investigation.

Additional Information: This indicates that we are working to triple the number of periodic BIs completed annually (from 100 to 300 per month) to attain a rate that would update all employes on a 5-year cycle in compliance with Executive Order 12968 to ensure the integrity of our workforce and protect national security information. In FY-03, the target of 300 per month has been exceeded. As of June 9, 2003, 3000 reinvestigations had been completed.

Measure Term: Long Term

Year	Target	Actual
2001	1200	1200
2002	3600	1800
2003	3600	4000 est.
2004	3600	
2005	3600	

Measure: All posts worldwide receive technical security upgrades to meet security standards

Additional Information: In coordination with OBO, it was originally determined that DS TSU's were required at 174 posts. With some posts scheduled for new buildings or upgrades for Marine Detachments, the target number for DS to complete by the end of 2004 is 149. The number in FY-03 for completed TSU projects is for half of the year.

Measure Term: Long-term

Year	Target	Actual
2001	23	23
2002	36	36
2003	45	24
2004	45	

Measure: All IT systems are protected from external technical compromise. Each year measure number of systems that are protected at a based level.

Additional Information: Network Intrusion Detection Systems (NIDS) have been deployed, configured and are operating on overseas Department OpenNet (unclassified) Systems at 222 posts overseas and 22 domestic locations. The unclassified IDS was completed and moved into the operations and maintainance phase in FY02. Host Intrusion Detection Systems (HIDS) (classified) were planned for 205 posts over 2 years. As of July 2003, thay had been deployed to a total of 114 posts overseas. Domestic deployment will follow.

Measure Term: Long-term

Year	Target	Actual
2000	69 uncl	69 uncl

PART Performance Measurements

Program: Worldwide Security Upgrades

Agency: Department of State

Bureau: Diplomatic Security

Measure: All IT systems are protected from external technical compromise. Each year measure number of systems that are protected at a based level.

Additional Information: Network Intrusion Detection Systems (NIDS) have been deployed, configured and are operating on overseas Department OpenNet (unclassified) Systems at 222 posts overseas and 22 domestic locations. The unclassified IDS was completed and moved into the operations and maintainance phase in FY02. Host Intrusion Detection Systems (HIDS) (classified) were planned for 205 posts over 2 years. As of July 2003, thay had been deployed to a total of 114 posts overseas. Domestic deployment will follow.

Measure Term: Long-term

Year	Target	Actual
2001	175 uncl	170 uncl
2002	0 uncl	5 uncl
2002	3 class	3 class
2004	45 class	

Measure: All posts worldwide and domestic facilities (241) will receive chemical/biological countermeasures equipment and training. There are two phases to this measure. Annual goals reflect number of posts each year.

Additional Information: Phase 1a: In FY00, 241 posts overseas received first responder equipment and training materials. Phase 1b: First responder training started in FY01. To date in FY03, 102 posts received training with the remaining 10 to be completed by the end of FY03. Phase 2: Production of the prototype escape mask began in August 2002. Delivery of 70,000 plus masks overseas started in FY02 will be completed in FY04. To date in FY03, 47 posts have been trained and equipped with escape masks with 24 more scheduled by the end of FY03. Funding for expansion of the program to domestic facilities has been set aside. Limited first responder equipment and training has been provided domesticaly. A plan to create a more robust emergency response force including Chem/Bio response, within State has been approved. Recruitment is expected to start by end of FY03 and be completed by middle of FY04.

Measure Term: Annual

Year	Target	Actual
2000	241 (1a)	241 (1a)
2002	117 (1b)	55 (1b)
2003	71 (2)	47 (2)
2004	126 (2)	

PART Performance Measurements

Program: Worldwide Security Upgrades

Agency: Department of State

Bureau: Diplomatic Security

Measure: Full implementation of the Access Control Systems at DOS facilities

Additional Information: Access Control and issuance of Smart Card badges is broken down into Phases (Perimeter (1); Interior (2); and Annexes (3)). The estimated number used for employees and contactors in the Washington National Capital Region is 18,000. The perimeter phase was 85% complete and personnel data was processed for appro. 50% of employees. FY03, to date, approximately 75% of employees have been issued new badges, with 90 to 95% issuance anticipated for completion by end of FY03. The perimeter phase should be completed at HST in FY03 with the interior phase expected for completion by end of calendar year 03. The annex phase is scheduled for completion at approximately half of the Department's annexes in FY04 with the remainder in FY05.

Measure Term: Annual

Year	Target	Actual
2002	85% (1)	85% (1)
2003	100% (1)	100% (1)
2003	95% (2)	75% (2)
2004	50% (3)	
2005	50% (3)	

Program Assessment Rating Tool (PART)

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	86%	100%	59%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: The program purpose is to promote and sustain freedom and democracy by broadcasting accurate and objective news and information about America and the world to audiences in Africa.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 20%

Explanation: Broadcast via Voice of America (VOA), the program addresses the need in Africa for accurate news and information about events in the region and the United States. Broadcasting explains U.S. policies, and establishes constructive dialog to improve relations with and increase understanding among people in the region. The program provides information on issues relevant to the region: war, poverty, political conflict, and numerous social concerns. USAID funds some VOA Africa programming on critical health issues, including the HIV/AIDS epidemic and polio eradication efforts.

Evidence: Africa Annual Performance Plans; The dearth of free, unbiased media and the existence of anti-American reporting in Africa creates a need for timely and accurate reporting of U.S. policies and actions as well as events in the region and the world at large.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight: 20%

Explanation: The Broadcasting Board of Governors (BBG) is the independent Federal entity responsible for all U.S. government and government-sponsored, non-military international broadcasting. Its efforts are not duplicative of other U.S.-sponsored broadcasting in Africa. Other unbiased, western media outlets broadcast to Africa, including the BBC and CNN. However, only U.S. international broadcasting has immediate and guaranteed access to accurate information about U.S. interests and policies and can be relied upon to provide a distinctly American perspective on events.

Evidence: The U.S. International Broadcasting Act of 1994 and the Foreign Affairs Reform and Restructuring Act of 1998 state that U.S. international broadcasting should not duplicate the activities of private United States broadcasters or the activities of government-supported broadcasting entities of other democratic nations.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: There is no conclusive evidence that another approach would be more efficient/effective at achieving the program's goals. In other regions the BBG broadcasts through two entities: 1) VOA, which is a direct federal program, and 2) surrogate broadcasters Radio Free Europe/Radio Liberty (RFE/RL) and Radio Free Asia (RFA), which are non-profit grantees. However, the only mechanism used for broadcasting into Africa is VOA. There is currently no indication that countries in Africa are in need of surrogate broadcasting, such as that provided by RFE/RL and RFA. Broadcasting to Africa through a direct federal program (as opposed to funding private, independent broadcasters) continues to be the best option because only VOA has immediate and guaranteed access to accurate information about U.S. interests and policies, and provides an American perspective on events. Retaining direct control over transmissions and programming content through VOA ensures that broadcasting maintains its quality and directly supports the mission of the program.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	86%	100%	59%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: The BBG is the sole Federal entity that broadcasts to Africa for the purpose of delivering accurate and objective news and information about the United States and the world. VOA broadcasts in the languages used most widely to reach the broadest possible audience: English, French, Portuguese, Hausa, Swahili, and a variety of local languages. This approach yields 45% of VOA's total worldwide radio audience. Annual Language Service and Program reviews continually refine the target audience. For example, reviews in FY 2002 led to increased programming in the Horn of Africa to target Muslim populations as part of the War on Terror.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter; Africa Program Reviews and annual Language Service Reviews

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 14%

Explanation: BBG's Africa Division performance plans include a long-term outcome measure that ties annual language service activities to the BBG's overall strategic goals. The primary long-term measure is to increase the Africa Division's audience reach. Given that measuring the program's impact on sustaining freedom and democracy in Africa is extremely difficult, audience reach is the most important and quantifiable measure of the program's success. This measure is a culmination of a number of annual common measures used across all of the Africa language services, as well as individual annual action steps for each service. The impact of annual activities (restructuring transmissions, increasing FM broadcasts, increasing region-specific programming, clarifying target audiences, increasing marketing support) should result in increased audience awareness across Africa and an overall growth in audience size. BBG is developing additional long-term goals that address the quality and relevance of broadcasting to better measure program impact.

Evidence: BBG Strategic Plan. Africa Division and individual Language Service performance plans.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 14%

Explanation: The target for the primary long-term performance measure is to increase audience reach by 5% over the current audience reach by FY 2008. The baseline for this measure is the FY 2002 audience reach level, approximately 34 million adults. The related annual goal of increasing weekly audience size for each African language service will track the progress toward achieving this long-term goal.

Evidence: Africa language service performance plans; Language Service Review; Program Review

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 14%

Explanation: The Africa Division has annual performance measures for both the Division and the individual language services, all of which support the long-term goal of increasing audience reach. There are 4 common measures for all 7 language services: 1) percent of weekly audience, 2) program quality rating, 3) signal strength rating, and 4) cost per listener. The last common measure - cost per listener - is an efficiency measure. Each language service also has, or is developing, individual annual action steps with milestones tailored to the nature of the language service and target population. These contribute to achieving the annual and long-term goals. For example, the English to Africa service performance plan includes adding FM coverage, while the Central Africa service plan includes reformatting its programming.

Evidence: Africa language service performance plans; Language Service Review; Program Review

Program Assessment Rating Tool (PART)

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	86%	100%	59%	

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 14%

Explanation: The common measures have separate baselines and annual targets for each country in each language service. BBG established these separate targets so that language service managers could easily track performance for each country or region they broadcast to, helping them identify areas that need improvement. The baseline for the common measures is the FY 2002 level.

Evidence: Africa language service performance plans; Language Service Review; Program Review

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 0%

Explanation: The VOA Africa Division is the sole entity responsible for U.S. international broadcasting to Africa. Editors and service chiefs closely monitor VOA contractors to ensure their activities, particularly stories generated by stringers, support the Division's goals.

Evidence: Annual Africa Language Service Reviews and Program Reviews

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight: 14%

Explanation: BBG's annual Language Service Reviews and Program Reviews conducted by the BBG's Office of Program Review (OPR) serve this purpose. OPR operates independently from all BBG language services. Annual reviews include an initial assessment with regularly scheduled follow-up meetings to check the progress on recommendations generated by the review. The reviews assess radio content, engineering and transmission, marketing efforts, internet development, and production value. BBG contracts with InterMedia, an independent firm that conducts annual surveys for each language service and program, evaluating a variety of factors: market profile, media access and use, and international broadcasting impact and trends. InterMedia also profiles audience listening habits.

Evidence: The annual Language Service Review assesses two basic issues: (1) where should BBG broadcast and (2) how well is BBG broadcasting. The Program Reviews are quality-control mechanisms based on field research and external analyses of program content and presentation.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight: 14%

Explanation: To date BBG hasnt included annual performance plans in its budget requests for Africa. The impact of existing and requested funding on program performance goals is not known. Currently BBG does not link its budget requests for Africa programs to the performance plans or strategic plan. BBG reports all direct costs of the program, but does not tie them to performance goals. It does not allocate indirect costs (including administration and program support) to the Africa Division. BBG will include the Africa Division annual performance plans in the FY 2005 budget request. It has agreed to align the funding needs to the performance plans in Africa and link them the long-term and annual performance goals. It will also link related support costs (engineering, marketing, capital projects) to each language service.

Evidence: FY 2004 Congressional Justification; Language Service Review; Program Review; FY 2004 BBG Budget Request

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	86%	100%	59%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 14%

Explanation: BBG designed a new performance plan template to use for all language services, including Africa. These plans include new performance measures and targets for the Africa Division. The performance plans are based on the new strategic plan, and they attempt to tie individual program goals to the strategic goals of the agency. BBG also continues to revise the new agency strategic plan it presented to its Board in September 2002. This plan proposes an entirely new approach to international broadcasting, "Marrying the Mission to the Market."

Evidence: BBG Strategic Plan, Africa Division Performance Plans

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 16%

Explanation: Using performance data gathered through its annual Language Service Reviews and Program Reviews, the BBG examines the results to adjust resources and set strategic priorities. Program Reviews also include content and production analysis to assist managers in improving performance. These same data are included in the Performance Plans. These reviews have resulted in the development of websites for all African language services, improved information on health issues, and increased focus on young audiences. Review of data on broadcast reach initiated an examination of options to increase FM broadcasting in urban centers.

Evidence: Language Service Review, Program Review, Africa Division Performance Plans.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight: 16%

Explanation: Senior managers "Line of Sight" performance appraisal system requires critical elements and ratings that are tied to the objectives of the BBG. The annual Language Service Review holds managers and partners directly accountable for results by the corresponding resource allocations. No grantees broadcast to Africa. Contractors are accountable to the same program standards. The Program Review process also measures the quality of their work. Many contractors work on a "pay-for-product" basis, with payment dependent upon the timely receipt of quality products. For example, many "stringers" receive payment for each quality news story they deliver.

Evidence: "Line of Sight" Performance Standards/Appraisals; Manual of Operations and Administration, Sec. 490 - Performance Appraisal System; Language Service Review

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 16%

Explanation: All requisitions must include verification that funds are available, and the funds are obligated when a contract or agreement is signed or a purchase order is done. The mid-year and 3rd quarter review provides an opportunity for managers to verify that unliquidated obligations are valid and that once an obligation has been fully expended, remaining balances are deobligated. Financial transactions are coded to both an organization and to a function or project. Given that BBG has a high percentage of fixed costs (salaries, transmission and infrastructure expenses, rent, etc.), funds must be obligated in a timely manner in order to continue operations.

Evidence: The reviews and the allotment control procedures enable the Agency to track obligations to ensure that funds are used for the intended purpose by the appropriate Agency office.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 16%

Explanation: The annual Language Service Review process includes an efficiency measure -- cost per listener. The Program Review process also assesses the efficiency and productivy of each language service. To increase program efficiency through IT improvements BBG developed the Production Digitization project for VOA. This multi-year effort will modernize the program production capabilities of VOA's radio and TV through the use of digital audio, video, and computer network technologies. Digital audio and video offers sharp improvements in quality and operational efficiency.

Evidence: Africa Program Performance Plans; Language Service Reviews; Program Review ; Production Digitization for VOA

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: NA Question Weight: 0%

Explanation: BBG is solely responsible for all non-military, U.S. international broadcasting. Therefore, there are no related programs that share similar goals and objectives.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 16%

Explanation: The BBG is cross-serviced by the State Department to provide financial services using the BFMS system. Internal controls are in place to minimize erroneous payments. The BBG Administrative Officers obligate financial transactions, and the State Department processes the payments, thus ensuring checks and balances on BBG accounts.

Evidence: BFMS System. The State Department has received clean audit opinions.

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	86%	100%	59%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 16%

Explanation: The Office of Program Review conducts an independent analysis of program content and presentation, which includes the management of the program. The Action Plans resulting from the Program Reviews lay out specific and meaningful steps to correct deficiencies when they are identified. The Office of Program Review regularly follows up with managers to track progress. The senior managers "Line of Sight" performance appraisal system requires critical elements and ratings based on the mission and is tied to the objectives of the BBG.

Evidence: Program Reviews; BBG Manual of Operations and Administration "Line of Sight" Performance Appraisal System, Section 490

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight: 25%

Explanation: In the past year BBG has taken steps to advance progress toward increasing audience reach by 5%. Once the FY 2003 African language service and program reviews are complete BBG will be able to more accurately determine its progress.

Evidence: Language Service Review, Progam Review, Africa Division Performanc Plans

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight: 25%

Explanation: The Africa Division has maintained the FY 2002 baseline for its common measures, and has made progress toward achieving its FY 2003 targets. However, the full progress toward the FY 2003 targets will not be known until BBG completes its FY 2003 Africa language service and program reviews.

Evidence: Africa Division Performance Plans, Program Reviews, Language Service Reviews.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight: 25%

Explanation: BBG has already established an efficiency measure -- cost per listener -- and shows improved cost effectiveness for its Africa programs. Previous annual Language Service Reviews and Program Reviews assess efficiency and cost effectiveness through this measure. However, it should be noted that as BBG incurs high capital costs through adding transmitters the cost per listener will increase in the short term. The new transmitters should increase the range of the signal and increase the size of the audience, ultimately driving the cost per listener back down. In other measures of efficiency, the Africa Division created web pages for all of the Africa language services. Through these web pages BBG can reach more people, particularly those that are part of the diaspora, without adding staff or additional resources. VOA has also completed its Production Digitization project for Africa, which modernizes the program production capabilities of VOA's radio and TV through the use of digital audio, video, and computer network technologies, improving quality and operational efficiency.

Evidence: Africa Division Performance Plans, Program Reviews, Language Service Reviews.

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	86%	100%	59%	

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA — Question Weight: 0%

Explanation: BBG is solely responsible for all non-military, U.S. international broadcasting. Therefore, there are no related programs that share similar goals and objectives.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: LARGE EXTENT — Question Weight: 25%

Explanation: Annual Program Reviews and Language Service Reviews indicate that VOA Africa has its strengths, but there is room for improvement in program content, transmission capabilities, and quality of some reporting. For example, the most recent English to Africa review revealed that 81% of weekly listeners familiar with HIV/AIDS programming believe that VOA is producing the right amount on the topic. However, anecdotal evidence collected through the reviews indicates that HIV/AIDS programming could improve by including more information on prevention and medication. The review also suggests that VOA Africa should produce more stories targeted to specific countries. The weekly audience reach in 2002, which measures the percent of target audience tuning in, ranges from a low of 0.4% in Cote DIvoire to a high of 35.3 in Mozambique, indicating a wide range of impact on the target populations. VOA managers have used review results to improve reporting and tailor broadcasts to local populations, as well as restrucuring broadcast transmission plans.

Evidence: Program Review schedules, results and action plans; Language Service Review analysis and results.

PART Performance Measurements

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:

Measure: Audience size for the Africa Division (in millions)

Additional Information: This measure tracks BBG's performance in increasing its audience reach throughout Africa. Baseline in 2002 is 34 million adults.

Measure Term: Long-term

Year	Target	Actual
2002	34	34
2008	35.7	

Measure: Program Quaility Score (Range 0-4) - scores are determined through assessments of program content and presentation for each language service. This example is for the Central Africa Service.

Additional Information: This measure charts scores (0 to 4) for language services assessed on program conent and presentation. The measure tracks each language service, rather than averaging scores for the whole division. This example is for the Central Africa Service.

Measure Term: Annual

Year	Target	Actual
2002	3.4	3.4
2003	3.7	3.7
2004	3.7	
2005	3.7	

Measure: Cost Per Listener ($ dollars) - tracks cost per listener for each Africa language service. This example is for the English to Africa (Ghana) Service.

Additional Information: This measure tracks the cost per listener for each Africa language service. The example is for the English to Africa Service.

Measure Term: Annual (Efficiency Measure)

Year	Target	Actual
2002	$0.45	$0.45
2003	$0.52	$1.15
2004	$0.94	
2005	$0.79	

PART Performance Measurements

Program: Broadcasting to Africa

Agency: Broadcasting Board of Governors

Bureau:

Measure: Signal Strength Score (Range 0-4) - refers to the strenght of the AM and shortwave radio signals, whether programs can be heard by target audiences. This example is for the Horn of Africa.

Additional Information: This measure refers to the strength of the AM and shortwave radio signals, and whether the programs are capable of being heard by target audiences. The example is for the Horn of Africa.

Measure Term: Annual

Year	Target	Actual
2002	3.3	3.3
2003	3.9	3.9
2004	3.9	
2005	3.9	

Measure: Weekly audience reach for the Central Africa language services. (As a percentage of the total target population.)

Additional Information: This measure charts the weekly percent of the target audience tuning into Africa broadcasting in each country. The example is for Central Africa.

Measure Term: Annual

Year	Target	Actual
2002	25%	25%
2003	52%	52%
2004	52%	
2005	52%	

Program Assessment Rating Tool (PART)

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	100%	50%	

1.1 Is the program purpose clear? Answer: Yes Question Weight: 20%

Explanation: The program purpose is to promote and sustain freedom and democracy by broadcasting accurate and objective news and information about America and the world to audiences overseas (in this case, audiences in South Asia and Near East Asia).

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Radio Free Afghanistan Act; Voice of America Charter

1.2 Does the program address a specific interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: The program is meant to address the need for accurate news and information about the United States and events in South Asia and Near East Asia in languages spoken in those countries.

Evidence: The dearth of free, unbiased media and the existence of anti-American reporting in these regions creates a need for timely and accurate reporting of U.S. policies and actions as well as events in the regions and the world at large.

1.3 Is the program designed to have a significant impact in addressing the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: Although other unbiased, western media outlets, including CNN and the BBC, broadcast to these two regions, only U.S. international broadcasting (Voice of America and Radio Free Europe/Radio Liberty) has immediate and guaranteed access to accurate information about U.S. interests and policies and can be relied upon to provide a distinctly American perspective on events.

Evidence: Local media in these regions are restricted and censored in many countries, and other worldwide broadcasters, such as the BBC, may not provide a forum to discuss U.S. policy and values.

1.4 Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)? Answer: Yes Question Weight: 20%

Explanation: The Broadcasting Board of Governors (BBG) is the independent Federal entity responsible for all U.S. government and government-sponsored, non-military international broadcasting. As such, its broadcasts are not duplicative of other Federal contributions to the problem being addressed in South Asia and Near East Asia. However, there is potential for duplication within BBG's overall broadcasting effort in these regions, specifically between VOA's and RFE/RL's broadcasts into Afghanistan, Iran and Iraq.

Evidence: The U.S. International Broadcasting Act of 1994 and the Foreign Affairs Reform and Restructuring Act of 1998 state that U.S. international broadcasting should not duplicate the activities of private United States broadcasters or the activities of government-supported broadcasting entities of other democratic nations.

Program Assessment Rating Tool (PART)

Program:	Broadcasting to Near East Asia and South Asia
Agency:	Broadcasting Board of Governors
Bureau:	
Type(s):	Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	100%	50%	

1.5 Is the program optimally designed to address the interest, problem or need?

Answer: Yes — Question Weight: 20%

Explanation: There is no conclusive evidence that another approach would be more efficient/effective at achieving the program's goals. However, further examination is warranted of whether a combination of direct Federal broadcasting (i.e., Voice of America) and broadcasting by a grantee (i.e., Radio Free Europe/Radio Liberty) in the region is needed.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Radio Free Afghanistan Act; Voice of America Charter; MERN Program Plan

2.1 Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: Yes — Question Weight: 15%

Explanation: The BBG developed performance plans for each language service in the Near East and South Asia region, including a separate plan for Radio Sawa. The performance plans include a long-term outcome measure that ties annual language service activities to the BBG's overall strategic goals. The primary long-term measure is to increase audience for each language service. Given that measuring the program's impact on sustaining freedom and democracy in Near East and South Asia is extremely difficult, audience reach is the most important and quantifiable measure of the program's success. This measure is a culmination of a number of annual common measures used across all of the regional language services, as well as individual annual action steps for each service. The impact of annual activities should result in increased audience awareness throughout the region and an overall growth in audience size. BBG is developing additional long-term goals that address the quality and relevance of broadcasting to better measure program impact.

Evidence: BBG Strategic Plan. Near East and South Asia FY 2005 Language Service performance plans for: Afghanistan Radio Network, Bangla, Hindi, broadcasting to Iran, Kurdish, Radio Free Iraq, Urdu, and Radio Sawa.

2.2 Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?

Answer: Yes — Question Weight: 15%

Explanation: There are annual performance measures for each language service, all of which support the long-term goal of increasing audience reach. There are 4 common measures: 1) percent of weekly audience, 2) program quality rating, 3) signal strength rating, and 4) cost per listener. The last common measure - cost per listener - is an efficiency measure. Each language service also has, or is developing, individual annual action steps with milestones tailored to the nature of the language service and target population. These contribute to achieving the annual and long-term goals. For example, many of the language services have an action step to continue web page development to simulcast news and information programs to reach audiences on the Internet. The language services also have action steps targeting youths in Near East and South Asia, the fastest growing and largest demographic segment.

Evidence: Strategic Plan for FY 2002-2007; FY 2005 Performance Plans for individual language services.

2.3 Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?

Answer: Yes — Question Weight: 15%

Explanation: As a grantee of BBG, Radio Free Europe/Radio Liberty (RFE/RL) contributed to establishing the new Strategic Plan and committed to the FY 2005 performance plans for Near East Asia and South Asia. RFE/RL has also developed annual action steps for its broadcasting (Radio Free Iraq, Radio Free Afghanistan, Radio Farda) that support the overall BBG long-term goal of increasing audience reach in the region.

Evidence: BBG and RFE/RL FY 2005 Performance Plans for the Afghanistan Radio Network, Radio Free Iraq, and broadcasting to Iran.

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	100%	50%	

2.4 Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives? Answer: N/A Question Weight: 0%

Explanation: BBG is solely responsible for all non-military, U.S. international broadcasting. Therefore, there are no related programs that share similar goals and objectives.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Radio Free Afghanistan Act; Voice of America Charter

2.5 Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness? Answer: Yes Question Weight: 15%

Explanation: BBG's annual Language Service Review process and its periodic Program Reviews serve this purpose.

Evidence: The annual Language Service Review assesses two basic issues: (1) where should BBG broadcast and (2) how well is BBG broadcasting. The Program Reviews are quality-control mechanisms based on field research and external analyses of program content and presentation.

2.6 Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known? Answer: No Question Weight: 15%

Explanation: Currently BBG does not link its budget requests for Near East and South Asia programs to the performance plans or strategic plan. Although BBG provided annual performance plans with its FY 2004 budget submission, the FY 2004 performance plans did not provide enough detailed information about planned action steps to substantiate the requested increases in funding, nor did they link performance goals to specific funding requests. The new FY 2005 performance plans are also not link to funding. The impact of existing and requested funding on program performance goals is not known. BBG will include the Near East and South Asia annual performance plans in the FY 2005 budget request. It has agreed to align the funding needs to the performance plans in the region and link them the long-term and annual performance goals. There is no evidence that impact of policy or legislative changes on performance could be determined.

Evidence: FY 2004 budget request and performance plans; FY 2005 performance plans.

2.7 Has the program taken meaningful steps to address its strategic planning deficiencies? Answer: Yes Question Weight: 25%

Explanation: BBG presented the full version of its new Strategic Plan to its Board in September 2002. This plan proposes an entirely new approach to international broadcasting, "Marrying the Mission to the Market," from which the Middle East Radio Network is based. BBG has also submitted the FY 2005 Performance Plans for its Voice of America and Radio Free Europe/Radio Liberty programs in the region. BBG developed a new template for performance plans which establishes agency-wide common measures and identifies annual language service action steps to advance the long-term goal. BBG will also develop a performance plan, including perfomance measures and targets, for the Middle East Television Network, which is currently under development and should begin operating by the beginning of 2004.

Evidence: BBG Strategic Plan FY 2003-2007. FY 2004 Performance Plans for Middle East Radio Network, Radio Free Iraq, broadcasting to Iran, Afghanistan Radio Network, and VOA Kurdish, Hindi, Bangla, and Urdu services.

Program Assessment Rating Tool (PART)

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	100%	50%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: Yes — Question Weight: 14%

Explanation: Using performance data gathered through its annual Language Service Review process and Program Reviews, the BBG has made significant changes to its broadcasting to this part of the world.

Evidence: An example is the recently launched Middle East Radio Network, which completely revamped VOA's Arabic broadcasting (both transmission and programming).

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?**

Answer: Yes — Question Weight: 14%

Explanation: Senior managers "Line of Sight" performance appraisal system requires critical elements and ratings that are tied to the objectives of the BBG. The annual Language Service Review holds managers and partners directly accountable for results by the corresponding resource allocations.

Evidence: "Line of Sight" Performance Standards/Appraisals; Language Service Review

3.3 **Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: Yes — Question Weight: 14%

Explanation: All requisitions must include verification that funds are available, and the funds are obligated when a contract or agreement is signed or a purchase order is done. The mid-year and 3rd quarter review provides an opportunity for managers to verify that unliquidated obligations are valid and that once an obligation has been fully expended, remaining balances are deobligated. Financial transactions are coded to both an organization and to a function or project. Given that BBG has a high percentage of fixed costs (salaries, transmission and infrastructure expenses, rent, etc.), funds must be obligated in a timely manner in order to continue operations.

Evidence: The reviews and the allotment control procedures enable the Agency to track obligations to ensure that funds are used for the intended purpose by the appropriate Agency office.

3.4 **Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: Yes — Question Weight: 14%

Explanation: The annual Language Service Review process includes efficiency measures, primarily cost-per-listener. The Program Review process also assesses the efficiency and productivy of each language service.

Evidence: An example of an IT improvement developed to increase program efficiency is the Digital Broadcasting Program, a multi-year effort to modernize the program production capabilities of Voice of America's radio and TV through the use of digital audio, video, and computer network technologies. Digital audio and video offers sharp improvements in quality and operational efficiency.

3.5 **Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?**

Answer: Yes — Question Weight: 14%

Explanation: BBG does estimate and budget for the full amount of operating the program, including administrative costs. They accomplish this by ensuring that enhancement submissions include the estimated costs for such items as recruitment and relocation of new employees, office and computer equipment and estimated build-out or construction costs related to new initiatives. For all increases in broadcast hour, the BBG determines if the existing transmission infrastructure and schedule will accommodate the enhancement or if new stations or leases will be necessary. Enhancement requests include the estimated costs for the necessary infrastructure or lease costs.

Evidence: BBG Budget Submissions to OMB

3.6 **Does the program use strong financial management practices?**

Answer: Yes — Question Weight: 14%

Explanation: The BBG is cross-serviced by the State Department to provide financial services using the BFMS system. Internal controls are in place to minimize erroneous payments. The BBG Administrative Officers obligate financial transactions, and the State Department processes the payments, thus ensuring checks and balances on BBG accounts.

Evidence: BFMS System. The State Department has received clean audit opinions.

3.7 **Has the program taken meaningful steps to address its management deficiencies?**

Answer: Yes — Question Weight: 14%

Explanation: The Office of Program Review conducts an independent external analysis of program content and presentation, which includes the management of the program. The Action Plans resulting from the Program Reviews lay out specific and meaningful steps to correct deficiencies when they are identified. The senior managers "Line of Sight" performance appraisal system requires critical elements and ratings based on the mission and tied to the objectives of the BBG.

Evidence: Program Reviews; "Line of Sight" Performance Appraisal System; Middle East Radio Network (MERN) is an example of action taken to correct a program management deficiency.

4.1 **Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?**

Answer: Small Extent — Question Weight: 25%

Explanation: In the past year BBG has taken steps to advance progress toward the long-term goal of increasing audience reach for each of its language services. While this is a newly cited goal in the annual performance plans, BBG has been tracking this data for several years established annual action steps to reach the goal. Radio Sawa has seen dramatic increases in audience reach, with listenership jumping from 3.2 million people per week in 2002 to 10.5 million in 2003. At this time it appears to be slowly increasing its audience reach for the other language services.

Evidence: FY 2005 Near East and South Asia performance plans; Program and Language Service reviews.

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	100%	50%	

4.2 **Does the program (including program partners) achieve its annual performance goals?**

Answer: Small Extent — Question Weight: 25%

Explanation: The Near East and South Asia language services have maintained the FY 2002 baseline for the four common measures, and are making progress toward achieving the FY 2003 targets. Not all of the results for FY 2003 have been determined, but those that have indicate BBG is on target and achieves the desired results for a large portion of its annual goals. Each language service has annual targets for these four measures: 1) weekly audience, 2) program quality, 3) signal strength, and 4) cost per listener. Examples of the targets and performance are included.

Evidence: FY 2005 Peformance Plans

4.3 **Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?**

Answer: Large Extent — Question Weight: 25%

Explanation: BBG has an efficiency measure -- cost per listener -- and shows improved cost effectiveness. However, BBG has incurred high capital costs by adding transmitters for Radio Sawa, increasing the cost per listener in the short term. The transmitters should increase the range of the signal and increase the audience size, ultimately driving the cost per listener back down. VOA completed its Production Digitization, modernizing program production capabilities through the use of digital audio, video, and computer network technologies, improving quality and operational efficiency. During the Iraq war Radio Sawa broadcast a TV program to the Iraqi people for one month. The project scope precluded hiring outside help, and Radio Sawa successfully staffed the new project without impacting any regular Radio Sawa broadcasting. VOA Persian launched a website which is updated 24 hours/day while using no additional resources. VOA Persian TV replaced its offsite studio rental for interviews with an affordable communication system used to send live video from VOA news bureaus. It uses phone lines instead of expensive satellite connections, enabling correspondents to broadcast live stories for a significantly reduced cost.

Evidence: Near East and South Asia Performance Plans, Program Reviews, Language Service Reviews.

4.4 **Does the performance of this program compare favorably to other programs with similar purpose and goals?**

Answer: N/A — Question Weight: 0%

Explanation: BBG is solely responsible for all non-military, U.S. international broadcasting. Therefore, there are no related programs that share similar goals and objectives.

Evidence:

Program Assessment Rating Tool (PART)

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	85%	100%	50%	

4.5 **Do independent and quality evaluations of this program indicate that the program is effective and achieving results?**

Answer: Large Extent

Question Weight: 25%

Explanation: An OIG report on BBG's Middle East Broadcasting Activities and Initiatives dated March 2002 concluded that the Middle East Radio Network (Radio Sawa) has been well-planned and executed to date. Annual Program and Language Service Reviews are conducted for each of the Near East and South Asia services. Reviews of Radio Sawa, launched in spring of 2002, show it to be reaching a very significant percentage (25-30%) of the adult population, with higher figures among the target audience of young adults. This compares quite favorably with VOA's historic levels of 1-2% in the region. Independent focus groups indicate that Radio Free Afghanistan is building an audience and increasing its reputation as the source for detailed coverage of domestic events. Listeners in Afghanistan indicate that they find VOA and Radio Free Afghanistan reliable and truthful. Reviews indicate that listeners want an increase programming content, with more accuracy and detail, paritcularly focusing on reconstruction activities and practical information to help listeners rebuild Afghanistan. VOA's Farsi service and RFE/RL's Radio Farda are well received in Iran, with independent focus groups citing the news, cultural and economic programming as informative. The variety of programming appeals to audiences under 30, BBG's primary target audience for Iran.

Evidence: Office of the Inspector General Report Number IBO-A-02-02, March 2002

PART Performance Measurements

Program: Broadcasting to Near East Asia and South Asia

Agency: Broadcasting Board of Governors

Bureau:

Measure: Audience reach for Radio Sawa (in millions)

Additional Information: This measure tracks BBG's performance in increasing its audience reach in Afghanistan.

Measure Term: Long-term

Year	Target	Actual
2002	44%	44%
2003	49%	49%
2004	56%	
2008	70%	

Measure: Cost Per Listener ($ dollars) for the Urdu service - tracks cost per listener.

Additional Information: This measure tracks the amount of funding spent on the Urdu broadcasting per listener.

Measure Term: Annual (Efficiency Measure)

Year	Target	Actual
2002	1.12	1.77
2003	1.06	0.88
2004	0.8	

Measure: Audience reach for broadcasting to Iran (as a percentage of the total target population)

Additional Information: This measure tracks BBG's performance in increasing its audience reach in Iran.

Measure Term: Long-term

Year	Target	Actual
2002	4%	4%
2003	6.5%	13%
2004	13%	
2008	13%	

PART Performance Measurements

Program: Broadcasting to Near East Asia and South Asia

Agency: Broadcasting Board of Governors

Bureau:

Measure: Audience reach for Radio Sawa. (in millions)

Additional Information: This measure tracks BBG's performance in increasing its audience reach in Arabic-speaking countries in the Middle East.

Measure Term: Long-term

Year	Target	Actual
2002	3.9	3.1
2003	5.1	10.5
2004	10.7	
2005	11	

Measure: Audience reach for the Urdu Service. (As a percentage of the total target population.)

Additional Information: This measure tracks BBG's performance in increasing its audience reach in Pakistan.

Measure Term: Long-term

Year	Target	Actual
2002	2.1%	2.1%
2003	2.4%	2.4%
2004	2.6%	
2008	8%	

Measure: Audience reach for the Bangla Service. (As a percentage of the total target population.)

Additional Information: This measure tracks BBG's performance in increasing its audience reach to Bangladesh.

Measure Term: Long-term

Year	Target	Actual
2002	6%	6.2%
2003	6%	6.8%
2004	6.2%	
2008	10%	

PART Performance Measurements

Program: Broadcasting to Near East Asia and South Asia

Agency: Broadcasting Board of Governors

Bureau:

Measure: Audience reach for the Hindi Service. (As a percentage of the total target population.)

Additional Information: This measure tracks BBG's performance in increasing its audience reach to Hindi-speaking populations in India.

Measure Term: Long-term

Year	Target	Actual
2002	0.6%	0.6%
2003	0.6%	1.1%
2004	1.1%	
2008	2%	

Measure: Weekly audience reach for Radio Sawa. (in millions)

Additional Information: This measure tracks BBG's performance in increasing its audience reach in Arabic-speaking countries in the Middle East.

Measure Term: Annual

Year	Target	Actual
2002	3.9	3.1
2003	5.1	10.5
2004	10.7	
2005	11	

Measure: Program Quaility Score (Range 0-4) - scores are determined through assessments of program content and presentation for each language service. This example is for the Afghanistan Radio Network.

Additional Information: This measure charts scores (0 to 4) for language services assessed on program conent and presentation.

Measure Term: Annual

Year	Target	Actual
2002	3.5	3.5
2003	3.6	3.6
2004	3.8	

Program: Broadcasting to Near East Asia and South Asia

Agency: Broadcasting Board of Governors

Bureau:

Measure: Program Quaility Score (Range 0-4) - scores are determined through assessments of program content and presentation for each language service. This example is for the Afghanistan Radio Network.

Additional Information: This measure charts scores (0 to 4) for language services assessed on program conent and presentation.

Measure Term: Annual

Year	Target	Actual
2004	3.9	

Measure: Signal Strength Score (Range 0-4) for broadcasting to Iran - refers to the strenght of the AM and shortwave radio signals, whether programs can be heard by target audiences.

Additional Information: This measure refers to the strength of the AM and shortwave radio signals, and whether the programs are capable of being heard by target audiences. The example is for broadcasting to Iran.

Measure Term: Annual

Year	Target	Actual
2002	3.3	2.6
2003	3.7	3.3
2004	4	

OMB Program Assessment Rating Tool (PART)

Credit Programs

Name of Program: Export Import Bank - Long Term Guarantees

Section I: Program Purpose & Design (Yes, No, N/A)						
	Questions	**Ans.**	**Explanation**	**Evidence/Data**	**Weighting**	**Weighted Score**
1	*Is the program purpose clear?*	Yes	Ex-Im Bank's Charter states that "the objects and purposes of the bank shall be to aid in financing and to facilitate the exports of goods and services...between the United States...and any foreign country or the agencies or nationals thereof" and that "The bank shall, in cooperation with the export financing instrumentalities of other governments, seek to minimize competition in government-supported export financing..." The Long-Term (L-T) guarantee helps Ex-Im Bank achieve this mission by providing repayment protection for private sector loans to creditworthy buyers of U.S. exports. The guarantee allows Ex-Im Bank to match officially supported foreign competition or to act as a lender of last resort to maximize support for US exports and contribute to the promotion and maintenance of US jobs.	The Export-Import Bank Act of 1945, as amended.	20%	0.2

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
2	*Does the program address a specific interest, problem or need?*	Yes	Ex-Im Bank' s L-T guarantee is used to aggressively match financing offers from foreign, officially supported Export Credit Agencies (ECAs) or to fill private sector financing gaps/address market failures to support US exports and jobs. The L-T guarantee product allows the Bank to accomplish this mission without crowding out private sector sources of financing. It is true that due to successful OECD arrangements, such as the completion of the Commercial Interest Reference Rates (CIRR) system and the floor set on exposure fees, demand for ECA financing has remained constant in recent years and represents a declining percentage of total exports. However, the L-T guarantee has become more relevant to the market in recent years, as the various global financial crises that have arisen since 1997 have diminished the willingness of commercial banks to accept emerging market risk without guarantees from ECAs or multilateral financial institutions.	Overall ECA financing has remained fairly stable over the past five years - between 1995 and 2000, ECA financing among the G7 countries decreased by -1.66 percent while at the same time overall merchandising exports from developed countries increased by 16.34 percent. According to the International Institute of Finance, net commercial bank lending (disbursements minus repayments-excluding ECA guarantees) to emerging markets averaged $38 billion per year between 1979 and 1984. This figure dropped to $-.3 billion during the Latin American debt crisis 1985-1990 and rebounded to $56 billion during the period 1991-7. The Asian debt crisis marked the beginning of the current period in which repayments outstripped new disbursements by an average of $40 billion per year from 1998-01. During the Asian debt crisis, Ex-Im Bank supported authorizations increased from $1.5 B in 1998 to $3.1 B in 1999, $3.0 B in 2000 and with the easing of the crisis, Ex-Im Bank authorizations began to decrease with $1.8 B in 2001and approximately $1.2 B in 2002.	20%	0.2

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	*Is the program designed to have a significant impact in addressing the interest, problem or need?*	Yes	Ex-Im Bank' s L-T guarantee is used to aggressively match financing offers from foreign, officially supported Export Credit Agencies (ECAs) or to fill private sector financing gaps/address market failures to support US exports and jobs. Although Ex-Im Bank authorizations only represent one to three percent of total U.S. exports that would not have occurred but for Ex-Im Bank financing (known as "additionality"), they represent a significant portion of overall exports to selected emerging markets. In these markets (i.e., China, Indonesia, Russia, Turkey) Ex-Im Bank-financed exports represent from 19 to 37 percent of total U.S. exports.	By providing a 100% principal and interest guarantee product, as well as working within the OECD ECA guidelines to provide financing that is competitive in terms of all-in-cost and cover policy, the Bank has been able to make a significant impact in addressing official foreign competition and lack of private sector financing.	20%	0.2

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?*	Yes	Ex-Im Bank is the only USG trade agency that offers a L-T guarantee product to match foreign officially-supported competition or to fill financing gaps as a lender of last resort to support U.S. exports and thereby promote and maintain U.S. jobs. The private sector - both exporters and banks utilize Ex-Im Bank to either counter foreign ECA competition or to fill financing gaps.	Other USG trade and investment agencies have different missions and offer different types of products, as noted on their websites: www.opic.gov, www.sba.gov, www.tda.gov. For Ex-Im Bank's L-T guarantee aircraft transactions approximately 90 percent of these deals counter foreign ECA financing support for Airbus. As of July 21 2002, over 80 percent of Aircraft transactions were in better risk markets (BCL 4 or better). This is indicative of matching foreign ECA competition. As discussed earlier, Ex-Im Bank authorizations represent a high percentage of exports to emerging markets (due to unwillingness of commercial sector to lend in such markets) which increases significantly during times of crisis. Although, Ex-Im Bank authorizations represent a small portion of total U.S. exports (one to three percent), they represent a significant portion of overall exports to selected emerging markets. In these markets (i.e., Angola, China, Indonesia, Russia, Turkey) Ex-Im Bank financed exports represent from 19 to 37 percent of total U.S. exports.	20%	0.2

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
5	*Is the program optimally designed to address the interest, problem or need?*	Yes	Ex-Im Bank's L-T guarantee has traditionally been viewed as a strong product for three principle reasons: 1) it is a guarantee, versus the conditional insurance product offered by most other ECAs; 2) it is designed to fill financing gaps without crowding out private sector sources of finance; and 3) it optimally leverages tax payer dollars. Due to changes in the ECA competitive landscape and the export credit market, Ex-Im Bank continually strives to ensure that its L-T guarantee continues to add optimal value to the marketplace by adopting modifications as deemed necessary.	Internal policy reviews revealed that Ex-Im Bank's Local Cost, Foreign Content, and Co-Financing policies left Ex-Im Bank at a competitive disadvantage vis-a-vis its competitors. As a result, Ex-Im Bank reworked these policies so as to make them more responsive to market conditions and approved these changes in January 2001. Refer to: FY 00, 01 Annual Performance Plans, FY01 Annual Report, FY01 Annual Performance Report, FY01 Competitiveness Report.	20%	0.2
Total Section Score					**100%**	**100%**

Section II: Strategic Planning (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?*	Yes	Ex-Im Bank has committed to using the L-T guarantee product to meet two long-term strategic goals that suport the program's mission of matching officially supported foreign competitors and acting as lender of last resort.	Ex-Im Bank's FY 01-06 Strategic Plan highlights these two strategic goals: (1) For qualified transactions, aggressively match financing offers from foreign, officially supported competitors; (2) To provide financing support for high risk countries/markets seeking U.S. qualified exports for which private market financing is not available.	14%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
2	*Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?*	Yes	In support of its first annual performance goal to finance guarantee transactions that face foreign competition (see Evidence), Ex-Im Bank tries to assess whether a transaction faces competition. However, with its second annual performance goal (see Evidence), Ex-Im Bank does not adequately demonstrate why achieving 60% (versus some other percentage) of L-T transactions involving high-risk markets or high-risk customers is chosen to measure their second strategic goal of acting as lender of last resort. OMB and Ex-Im Bank agree to work towards strengthening this measure of additionality.	The FY02 Annual Performance Goals for the L-T guarantee are as follows: (1) In FY 2002, provide financing which meets confirmed competition on qualified loan and guarantee transactions; (2) In FY 2001 and FY 2002, 60% of all long-term loan and guarantee transactions (by number) will involve high-risk markets or high-risk customers so as to ensure that the Ex-Im Bank L-T guarantee program focuses on the Bank's role as a lender of last resort.	14%	0.1
3	*Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?*	Yes	At the time they apply for support, Ex-Im Bank's customers (i.e., banks, exporters, borrowers) must indicate that their request for financing fulfills one of Ex-Im Bank's long-term strategic goals. The customers, however, are not required to provide any additional evidence of said competition or of their inability to obtain private financing. OMB will work with Ex-Im Bank to strengthen the Bank's process of determining the private market appetite for financing and the existence of competitive offers from other ECA's.	Ex-Im Bank L-T Guarantee Application requires that the exporter indicate that Ex-Im Bank support is necessary for the transaction to proceed in order to meet foreign ECA competition or due to limited availablity of private financing. In the presentations to the Ex-Im Bank Board, staff must demonstrate that each L-T guarantee transaction meets this "additionality" test. To make this determination on additionality, staff uses the information from the application and their own knowledge and experience of the private market appetite for financing and the existence of competitive offers from other ECA's.	14%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?*	Yes	Ex-Im Bank coordinates with related programs. The Bank works through the Trade Promotion and Coordination Committee (TPCC) to coordinate effectively with other USG programs. The TPCC was established under the Export Enhancement Act of 1992 to provide a unifying framework to coordinate the export promotion and export financing activities of the USG and to develop a government-wide strategic plan for carrying out such programs. The Bank also collaborates with USAID on the SEED (Support for East European Democracy Act) program, cofinances with OPIC, meets regularly with TDA regional directors, Treasury on OECD ECA negotiations and State on Paris Club issues.	TPCC National Export Strategy Report, 2002. Ex-Im Bank collaborates with OPIC on approximately 28 percent of current project financing transactions. These cofinanced transactions, with Ex-Im and OPIC sharing resources and costs (independent engineers and outside counsels), represent 9 of 32 projects. During OECD negotiations, the Bank works with Treasury to level trade finance terms among the ECAs. During the past ten years, multiple OECD Arrangements have established maximum tenor and minimum fees for L-T guarantee transactions.	14%	0.1
5	*Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?*	No	In FY00, Ex-Im Bank began participating in the American Customer Satisfaction Index (ACSI), an annual survey that uses survey and modeling methodology to isolate factors that have the highest impact on satisfaction. The ACSI is produced through a partnership between the National Quality Research Center at the University of Michigan Business School, the American Society for Quality, and Arthur Andersen. Ex-Im Bank received valuable feedback on the performance of its L-T guarantee program from this survey in FY00 and FY01. ACSI, however, does not evaluate Ex-Im Bank's effectiveness with respect to achieving any of its long term or annual performance goals. In addition, while not independent, the Competitiveness Report, produced by the Bank's Policy and Planning Group does indicate that the Bank has been effective in matching foreign ECA financing.	ACSI Reports, FY00 and FY01; FY 00 and FY01 Competitiveness Report.	14%	0.0

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
6	*Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?*	Yes	Ex-Im Bank's calculation of their annual subsidy appropriations is based on an estimation of demand for their L-T guarantees and their estimation of risk of these transactions. As a result, a reduction in the program budget would reduce the dollar value of the transactions that the Bank could potentially support thereby possibly reducing the Bank's ability to meet its long-term goals.	Ex-Im Bank forecasts demand based on a careful and comprehensive analysis of its customers. For L-T guarantees, the demand is forecasted from projects currently in the pipeline and expected exports requiring Bank financing. Proj. finance and aircraft transactions represent 70-80% of total L-T transactions (FY2000/1Data). Given the time requirements for project finance transactions (8–14 months), the Bank uses transactions in the pipeline to accurately forecast demand. For aircraft transactions, the Bank works with US aircraft manufacturers to develop demand forcasts. US aircraft manufacturers share their multi-year production/delivery schedule with the Bank so the Bank can then identify potential customers for Ex-Im financing support based on staff experience. The Bank also factors in a projected increase in global economic demand, withdrawal of private capital from specific markets, and value of the U.S. dollar compared to the other major currencies. With this estimated demand, the Bank calculates the required subsidy using the appropriate risk premia provided by OMB.	14%	0.1
7	*Has the program taken meaningful steps to address its strategic planning deficiencies?*	Yes	Ex-Im Bank has developed a GPRA process that serves as a strategic planning tool. For example, as part of the GPRA process, Ex-Im Bank sets a performance goal to increase the proportion of high risk L-T loan and guarantee transactions to ensure that the guarantee program focused on its mandate to act as a lender of last resort. Ex-Im Bank, however, has yet to demonstrate why the Bank has settled on 60% as an adequate measure of performance.	FY01-06 Strategic Plan, FY99, 00, and 01 Annual Performance Reports, FY00 and 01 Annual Performance Plans.	14%	0.1
Total Section Score					**100%**	**86%**

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score

Section III: Program Management (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?*	Yes	The Ex-Im Bank regularly collects key information on L-T guarantees in order to manage the program. The Bank uses both a weekly status report and monthly Financial Highlights report. In addition, the Bank regularly meets with a wide variety of individual corporations and interest groups, including the Bankers Association of Foreign Trade (BAFT) and the Coalition for Employment Through Exports (CEE), to solicit input on programs and products. Finally, the Bank is mandated by Congress to publish the annual Competitiveness Report, which surveys users of Bank programs and other ECAs in an effort to benchmark Bank's competitive stance vis-a-vis other ECAs.	The weekly status report lists actual cases and potential cases for the rest of the fiscal year. Managers use this report to project L-T guarantee transactions and monitor loan officer progress on specific transactions. The monthly financial hightlights report provides significant detail on L-T guarantees - forecasts with actual and yearly comparisons. The annual Competitiveness Report has consistently shown that the Bank is competitive vis-a-vis other ECAs, especially in terms of all-in-cost and cover policy.	10%	0.1
2	*Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?*	Yes	On the management aspect, all Ex-Im Bank managers are required to undergo annual performance reviews. Regarding program partners, the L-T guarantee program lenders for project finance and aircraft are held accountable for cost, schedule and performance results.	Ex-Im Bank managers are evaluated through annual Human Resources Performance appraisals. Managers are graded under the following areas-results, leadership, resource management, individual skills & customer services. Ex-Im Bank controls the timing and amounts of disbursements under the L-T guarantee program. For example, for project finance transactions, the major contractor must certify that the project has met specific milestones (based upon percentage of completion) to receive payments. In FY01, Ex-Im Bank authorized 13 aircraft transactions with an average of $197M per transaction and 15 proj. finance transactions with an average of $141M per transaction.	10%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	*Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?*	Yes	Ex-Im Bank has two primary accounts - Administrative Expenses and Program Budget. Each is separate and distinct. Ex-Im Bank does not shift funds from one account to the other. Both accounts are obligated and expended under appropriate timeframes. Administrative Expenses is a 1-yr appropriation. The Program budget is a 4-yr appropriation - reflecting OMB and Congressional understanding for flexibility to obligate funds for complicated transactions in a timely manner.	Ex-Im Bank follows current Federal Law and apportions funds with OMB and Treasury. In FY 2001, Ex-Im obligated 99.7 percent of appropriated Administrative funds by the end of the fiscal year. Ex-Im Bank calculates estimated program budget for each L-T guarantee transaction once approved by the Board of Directors. These calculations are completed within one business day of approval with funding obligated at that time. Each transaction has an expiry date, and shipments must be completed before said date. In addition each guaranteed lender must submit disbursement documents to Ex-Im Bank to obtain the Ex-Im Bank guarantee on that disbursement.	10%	0.1
4	*Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?*	Yes	For the L-T guarantee program, Ex-Im Bank established procedures to achieve efficiencies and cost effectiveness. The project finance division is a prime example. Ex-Im Bank established this office with limited staff - 5 staff. Through the use of outside financial and legal advisors that were hired on a competitve basis and compensated by the project sponsors, the Bank was able to leverage resources and authorize approximately $2 billion in annual transactions. The advisers are essential to the timely processing of these complex transactions.	Internal studies have demonstrated that the use of outside advisers has saved Ex-Im Bank thousands of staff hours per transaction. To accomplish the same amount of work without outside help would require additional FTEs. Project Finance Magazine recognized Ex-Im Bank as the Best Project Finance ECA 1999; and has also specifically recognized individual transactions: Asia Pacific Power Deal of the Year 2001; Latin Americna Merchant Deal of the Year 2001; and European Power Deal of the Year 2001.	10%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
5	*Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?*	Yes	Ex-Im Bank develops a cost breakdown for all Administrative and Program Budget costs for L-T guarantee programs.	Each fiscal year, the Bank receives an Administrative and Program Budget appropriation from Congress. The Program Budget reflects the subsidy for all transactions. The Budget provides significant detail of these proposed transactions including a separate line for L-T guarantees. In terms of the Administrative Budget, Ex-Im Bank breaks out specific costs for L-T guarantees and estimates shared costs for this program on an annual basis. Over time FTEs for L-T guarantees have been adjusted to reflect changing authorizations levels.	10%	0.1
6	*Does the program use strong financial management practices?*	Yes	Ex-Im Bank supports independent accountants to conduct an audit of financial position and internal controls. The Audit from PWC stated that "results of its operations and its cash flows…ended in confromity with accounting principles generally accepted in the United States of America."	In FY 2001, Ex-Im Bank received a clean audit statement - first in the USG (Oct 12, 2001) for the fiscal year.	10%	0.1
7	*Has the program taken meaningful steps to address its management deficiencies?*	Yes	Ex-Im Bank staff constantly interfaces with its stakeholders to receive feedback on management deficiencies. As a result of this process, the L-T guarantee program will be reorganized.	Ex-Im Bank has developed a reorganization plan that will result in three new divisions: i) a unified Export Finance group devoted to managing transaction relationships across all Ex-Im Bank financing products, ii) an independent Credit and Risk Management group to provide consistent credit standards and oversight, and iii) a Communications group encompassing existing public affairs and marketing functions. These changes will be effective October 1, 2002. This reorganization is designed to allow Ex-Im Bank to become more market focused and customer driven while enhancing risk management.	10%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
8 (Cr 1.)	*Is the program managed on an ongoing basis to assure credit quality remains sound, collections and disbursements are timely and reporting requirements are fulfilled?*	Yes	These functions are split between Ex-Im Bank's Asset Management Division and Credit Review and Operations Division. CR&O is responsible for credit quality assurance and timely disbursements. AMD is responsible for managing and reporting on claim and recovery efforts.	Ex-Im Bank Quarterly Portfolio Reports. The Report highlights "Portfolio Exposure", "Loss Reserves" and Troubled Assets" in an organized and detailed fashion. The graphical representation of portfolio change over time as well as those that detail the different types of risk.	10%	0.1
9 (Cr 2.)	*Does the program consistently meet the requirements of the Federal Credit Reform Act of 1990, the Debt Collection Improvement Act and applicable guidance under OMB Circulars A-1, A-34, and A-129?*	Yes	Ex-Im Bank consistently meets the relevant credit acts and guidance. Since Credit Reform all loans, guarantees and insurance are placed on an equal footing; only the estimated program budget cost is scored as Budget Authority and is scored for all programs at the time of commitment	Ex-Im Bank meets the deadline provided by OMB for apportionment, outlay plans and quarterly budget execution plans. The independent accountants also include in their annual audit a review of the relevant credit laws and guidance to ensure that the Bank is meeting these requirements. The accountants provided a clean audit in FY 2001.	10%	0.1
10 (Cr 3.)	*Is the risk of the program to the U.S. Government measured effectively?*	Yes	Ex-Im Bank conducts an annual re-estimate of the Bank's portfolio. Using the most recent premia from OMB, the Bank will re-estimate the reserves required for L-T guarantees.	The independent accountants (for the audit) analyze the methodology for the annual re-estimation of reserves required. In FY 2001, the accountants provided a clean audit	10%	0.1
Total Section Score					**100%**	**100%**

Section IV: Program Results (Yes, Large Extent, Small Extent, No)

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?*	Large Extent	Ex-Im Bank has not adequately demonstrated that the L-T guarantee program has met both of its long term goals. Data from the annual Competitiveness Report does reveal that Ex-Im Bank has met its first strategic goal, but Ex-Im has not adequately demonstrated that its financing meets its goal of "additionality". Given that approximately 50 - 70 percent of the Bank's L-T transactions are intended to counter foreign ECA financing first strategic goal, the Bank received a score of Large Extent.	As cited in the Competiveness Report, Ex-Im Bank provides a competitive all-in rate on non-sovereign transactions among the G-7 ECAs. In both FY 2000 and FY 2001, Ex-Im Bank's L-T guarantee program fully met its objectives and no authorized L-T guarantee transactions were lost to foreign competition. Over the past five fiscal years, Ex-Im Bank authorized @ $57.6 billion, $30.7 billion of which was L-T guarantees. L-T guarantee authorizations have on average accounted for over 50% of Ex-Im Bank total authorizations during this same period. Ex-Im Bank makes very good use of its Congressionally appropriated funds; for all its programs, Ex-Im Bank returns an average of $18 of export value for every $1 appropriated by the US Congress. Although, Ex-Im Bank authorizations represent a small portion of total U.S. exports (1- 3 percent), they represent a significant portion of overall exports to selected emerging markets.	25%	0.2

Long-Term Goal I:	Offer financing to foreign buyers of U.S. exports competitive with financing from foreign, officially supported, competitors
Target:	Provide a competitive all-in rate on non-sovereign transactions among the G-7 ECAs
Actual Progress achieved toward goal:	In CY 2001, Ex-Im Bank provided competitive all-in cost rates on non-sovereign transactions among the G7 ECAs. In terms of fees, Ex-Im Bank charges have a smaller average surcharge for non-sovereign transactions among a majority of the G7 ECAs. Only one G7 ECA has an average surcharge below Ex-Im Bank. Ex-Im Bank also has less coverage restrictions among the G7 ECAs. With these two factors, Ex-Im Bank is virtually always lower in cost and open in more markets than the G7 ECAs. Under the L-T guarantee aircraft program from 1996 to 2001, Ex-Im Bank financed approximately 25 percent of all Boeing delivered aircraft for export.

Long-Term Goal II:	Offer financing to foreign buyers of U.S. exports that can not obtain private financing.
Target:	Support qualified and creditworthy transactions that would have been unable to purchase U.S. exports without Ex-Im Bank financing.
Actual Progress achieved toward goal:	Transactions in emerging markets have the greatest difficulty in obtaining private financing to purchase U.S exports. The L-T guarantee program (non-aircraft transactions) finances transactions in these markets. Ex-Im Bank finances a significant level of exports to these markets. In five example emerging markets (Angola, China, Indonesia, Russia, Turkey) Ex-Im Bank financed exports represent from 19 to 37 percent of total U.S. exports. Ex-Im Bank also steps in to support U.S. exports when the private sector withdraws from the market during times of crisis - see previous answer.

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
2	*Does the program (including program partners) achieve its annual performance goals?*	Large Extent	Ex-Im Bank has not adequately demonstrated that the L-T guarantee program has met both of its annual performance goals. Given that data from the annual Competitiveness Report does reveal that Ex-Im Bank has met its first annual performance goal (which represents 50 - 70 percent of the Bank's L-T transactions) and exceeded its second performance goal of 60%, the Bank received a score of Large Extent. As stated earlier, Ex-Im Bank has not adequately demonstrated why the 60% target is an adequate measure for "additionality".	By far the largest non-aircraft L-T guarantees are located in markets rated BB or riskier. As of July 31, 2002, 66 percent of Ex-Im Bank L-T guarantee transactions are in these risk categories. The evidence related to meeting foreign competition is outlined above.	25%	0.2

Key Goal I:	Finance loan and guarantee transactions that face competition.
Performance Target:	In FY 2002, Provide a competitive all-in rate on non-sovereign transactions among the G-7 ECAs
Actual Performance:	The July 2002 Competitiveness Report highlights that Ex-Im Bank generally provides best all-in rate on non-sovereign transactions among the G7 ECAs.
Key Goal II:	Increase the percentage of L-T guarantees that involve high-risk markets or high-risk customers.
Performance Target:	FY 2001 Target - 60 percent of all L-T guarantees; FY 2002 Target - 60 percent of all L-T guarantees.
Actual Performance:	Ex-Im Bank met the FY 2001 target - 64 percent of all L-T loans and guarantees. In FY 2002, Ex-Im Bank is also expected to exceed the target - estimated 66 percent of all L-T guarantees.

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	*Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?*	Yes	As previously noted, Ex-Im Bank hires financial and legal advisers to help process the Long-Term Structured Finance guarantee applications. These advisers, who are compensated by project sponsors and assist Ex-Im staff with due diligence activities for these complex transactions, provide significant cost and time savings for the program.	Between 1999 and 2002, Ex-Im staff was able to process double the number of transactions with the same number of staff; the number of cases increased from eight in 1999 to 17 in 2002.	25%	0.3

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Does the performance of this program compare favorably to other programs with similar purpose and goals?*	N/A	Not applicable given no other similar programs in the Federal Budget. Ex-Im Bank fills a unique niche in the US Government, that of an export and jobs promotion agency, the L-T guarantee is not directly comparable with the products of any other Federal agency.	With over $30 billion worth of authorizations in the past five fiscal years, Ex-Im Bank has only suffered on average 3% default rate on its L-T guarantee portfolio. This default rate, which is lower than that of most commercial banks demonstrates that Ex-Im Bank's L-T guarantee program performs as well as, if not better than, similar programs administered by private sector sources of financing. As cited in earlier responses, Ex-Im Bank provides lower cost and greater coverage than comparable foreign ECAs.	0%	
5	*Do independent and quality evaluations of this program indicate that the program is effective and achieving results?*	Small Extent	For the past two years, ACSI customer service survey has found that satisfaction with Ex-Im Bank has been higher than the federal government average. This survey, however, does not measure whether or not the Bank is effective in achieving its long term and annual performance goals. The Competitiveness Report (not independent) does indicate that the program is effective in matching official foreign ECA financing. In addition, the IIE Special Report #14,: "The Ex-Im Bank in the 21st Century, A New Approach?" (Jan 2001), which includes a collection of papers detailing Ex-Im Bank's environment, challenges and program evaluations, represents an independent, quality evaluation of Ex-Im Bank's programs from a macro perspective. Even though the aformentioned reports indicate that the Bank's programs are effective and achieving results on a variety of levels, these reports are either not independent or do not completely evaluate whether or not the L-T guarantee program is effective in achieving its long term and annual performance goals. As such, the Bank received a score of Small Extent.	ACSI Reports, FY00 and FY01,Competitiveness Report. Independent evaluations: IIE Special Report #14: "The Ex-Im Bank in the 21st Century, A New Approach?" The Report noted that "Exports have become an extremely important component of the American economy. Their share in total output has tripled over the past 30 years.....The Export-Import Bank of the United States plays an important role in ensuring that US exports reach the markets of emerging nations..." The Report also contained the following comments from William Cline of the IIF who argues, "…global pribate capital markets facing the emerging markets have undergone enormous changes in composition and have experienced very large cyclical fluctuations." Allan Mendelowitz, of the US Trade Deficit Review Commission, states in this Report that Ex-Im Bank was integral in producing OECD Arrangements.	25%	0.1
Total Section Score					**100%**	**67%**

Program Assessment Rating Tool (PART)

Program: Overseas Private Investment Corporation - Finance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: OPIC's authorizing language and mission statement clearly state the mission of the OPIC Finance Program to "mobilize and facilitate U.S. private capital participation in the economic and scoial development of less developed countries and areas of the world as well as countries which are transitioning from non-market to market economies." OPIC has made more consistent public statements of its development mission, such as by updating its website to highlight the agency's development focus. It is unclear whether these actions have changed clients perception of OPIC.

Evidence: Section 231 of the Foreign Assistance Act of 1961 (P.L. 87-195), mission statement found in GPRA documents, Congressional testimony, public statements and OPIC brochures and website.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 20%

Explanation: OPIC's Finance Program is designed to address a specific problem: inadequate access to credit (direct loans and loan guaranties) for direct investment projects in the developing world. The willingness of private sector lending institutions to participate in such projects varies from country to country, and even from sector to sector within countries.

Evidence: Companies applying for OPIC financing must certify that they have failed to find adequate financing from private lending institutions.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight: 20%

Explanation: OPIC is the primary U.S. government agency that supports private U.S. intestment in developing countries. Multilateral lending institutions also provide similar financing, but to companies from all member countries, not just U.S. companies. Private financial institutions also provide similar financing. However, anecdotal evidence suggests that, in certain countries at least, private financing is available only for shorter periods than OPIC financing, and often not on a project finance basis. However, the recent extension to OPIC of authority to guarantee in local currencies may create some uncertainty about the types of projects it supports versus the types of projects other federal programs support. To address this concern, OPIC and USAID have agreed to conclude an MOU to improve coordination between the agencies guarantee programs.

Evidence: OPIC Finance officers state that private financing often has shorter tenors than comparable OPIC support, and that financing is often not available at all for investments in many developing countries. The company certifications on OPIC finance applications supports these statements. OMB review of OPIC Finance projects, as well as consultations with OPIC and USAID officials suggest some concern about overlap between OPIC and USAID credit programs. In a joint letter to OMB, OPIC and USAID have agreed to conclude an MOU to improve coordination between the agencies guaranty programs and leverage USAID's global presence with OPIC's experience in promoting private sector development.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: Private sector lenders are increasingly willing to lend in developing country markets. OPIC believes that this requires it to pioneer new products to stay relevant in current market and world economic conditions. While some anecdotal evidence supports OPIC's view, the evidence also suggests that OPIC's traditional products of direct loans and loan guaranties are still highly relevant and necessary, particularly in more risky markets or industries. On balance, OPIC's Finance Program appears well-designed to assist U.S. development goals through facilitating U.S. direct investment.

Evidence: Analysis of historic Finance activity and OPIC draft paper on new products.

Program: Overseas Private Investment Corporation - Finance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES — Question Weight: 20%

Explanation: OPIC Finance attempts to concentrate its activities on agency priority initiatives, such as projects involving U.S. small business, housing, Russia and Central Asia, Sub-Saharan Africa, Mexico, and highly developmental outcomes. At times, these priorities, such as supporting highly developmental projects versus supporting small business projects, have the potential to conflict in certain instances, thereby resulting in support for a project with a lower developmental outcome than might otherwise be the case. The Administration will review and monitor the developmental standards applied to projects to ensure consistent treatment and high standards. Greater transparency could also improve this situation, such as by posting more extensive descriptions of projects on the OPIC website after approval and by enhancing the clarity and depth of reporting to the OPIC Board.

Evidence: OPIC Finance Department Operating Plan 2003, OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and OPIC Strategic Plan 2003-2008 discuss the Finance Program priorities.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: YES — Question Weight: 12%

Explanation: OPIC's Finance Program has recently established specific, quantifiable long-term goals. These goals are outlined in the agency's Strategic Plan. They are comprised of developmental targets, additionality tracking and risk management targets, implementation of OPIC's Small Business Center, and increased efficiency (reduced application processing time) goals. These goals are also incorporated into the Finance Program Operating Plan.

Evidence: The Finance Department Operating Plan 2003 and OPIC Strategic Plan 2003-2008 contain the program's long-term performance measures.

2.2 Does the program have ambitious targets and timeframes for its long-term measures?

Answer: YES — Question Weight: 12%

Explanation: During the first half of FY 2003, OPIC worked closely with OMB to develop targets and timeframes for achieving the program's long-term performance goals. The targets and timeframes for each long-term measure are specific and ambitious.

Evidence: The Finance Department Operating Plan 2003 and OPIC Strategic Plan 2003-2008 contain the program's long-term performance measures.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?

Answer: YES — Question Weight: 12%

Explanation: The Finance Program has specific annual peformance measures outlined in the department Operating Plan and the agency Annual Performance Plan. These documents include developmental measures, number of small business contracts, new contracts in priority areas, measures of additionality, and efficiency measures.

Evidence: Finance Department Operating Plan 2003, FY2004 Annual Performance Plan and FY2002 Performance Report, Strategic Plan 2003-2008.

Program: Overseas Private Investment Corporation - Finance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 12%

Explanation: OPIC has baselines for four of its performance measures. These measures include: 1) average application processing time; 2) number of host country jobs supported; 3) number of monitored on-going projects that meet OPIC's U.S. effects, environmental and worker rights standards; and 4) the number of small business investors assisted by the Finance Program. Performance targets are sufficiently ambitious and were developed in consultation with OMB. The Finance Program began implementing its new development measures on July 1, 2003.

Evidence: Finance Department Operating Plan 2003, FY2004 Annual Performance Plan and FY2002 Performance Report, Strategic Plan 2003-2008.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight: 12%

Explanation: OPIC requires finance recipients to report various performance statistics (such as employment generated, host country tax receipts from the project, and local procurement), and with OMB's help, the Finance Program's application now requires information to quantify its performance against its annual and long-term performance goals to effectively measure progress toward achieving developmental impact.

Evidence: OPIC Application for Finance and OPIC Additionality Checklist (required for all projects prior to closing) contain information to assess how the project relates to OPIC's goals. In addition, projects annually submit self-monitoring questionnaires to report on project activities.

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight: 12%

Explanation: Independent evaluations of the Finance Program are not regularly conducted. Two reports have touched on limited aspects of the program: a 1997 GAO Report and a 2003 report by the Institute for International Economics on "Reforming OPIC for the 21st Century." OPIC also regularly receives clean financial audits from outside auditors. Most recently, KPMG provided a clean financial audit of OPIC.

Evidence: GAO Report "Overseas Investment: Issues Related to the Overseas Private Investement Corporation's Reauthorization" (September 1997), Institute for International Economics Report "Reforming OPIC for the 21st Century" (May 2003), and OPIC Annual Reports

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: NO Question Weight: 12%

Explanation: OPIC has improved the detail of its budget requests, but still has significant progress to make in linking its budget to the agency's long-term performance goals. For example, the FY 2004 budget request to OMB discussed in general terms how funding would be used to further OPIC's development mission, small business program, and operational efficiency. In FY 2005, OPIC will continue to make progress in this area by incorporating the 2005 Annual Performance Plan into the FY 2005 budget request, and by discussing how the agency will meet its performance targets in FY 2005. Further work will need to be done to fully link OPIC's budget to performance goals.

Evidence: OPIC budget requests and annual Performance Plans contain no linkages between budget and performance goals.

Program Assessment Rating Tool (PART)

Program: Overseas Private Investment Corporation - Finance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 12%

Explanation: OPIC has made significant improvements in its strategic planning. OPIC now has specific developmental and additionality measures in its Annual Plan and Strategic Plan.

Evidence: OPIC Strategic Plan 2003-2008, OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and Finance Program Additionality Checklist

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 11%

Explanation: Performance information is collected and tracked throughout the life of the project via a self monitoring questionnaire (required annually) and periodic site visits by OPIC personnel. The finance portfolio is regularly monitored by the Finance Program and OPIC's Risk Management unit.

Evidence: OPIC Self-Monitoring Questionaire, Risk Management unit's internal reports (Quarterly Detail Report on Insurance, Quarterly Portfolio Reports, and Annual Claims Reports), OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and Finance Program Operating Plan

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight: 11%

Explanation: OPIC has instituted new individual evaluation criteria to better manage program activities. In the current employee review cycle (beginning September 2003), Finance Program managers will be evaluated for the first time on the developmental impact of the projects supported. The program's performance goals have been communicated to all finance officers and managers. Each manager is aware that their individual performance evaluation will include a discussion of how their projects performed relative to the program's goals.

Evidence: Revised Individual Performance Plans for FY 2004

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 11%

Explanation: OPIC obligates funds in a timely manner and ensures that funds are apportioned correctly. OPIC's SF-132s are submitted in a timely manner and approved by OMB as required. OPIC's internal controls include a department budget management system that tracks all expenditures as they occur.

Evidence: SF-132 Apportionment Requests and Quarterly Obligation Status Reports.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES — Question Weight: 11%

Explanation: OPIC has instituted new efficiency goals, measured in terms of reduced application processing, or cycle, time. The program's goal is to achieve a 25 percent reduction in cycle time by the end of FY 2008, based on the baseline FY 2002 cycle time. OPIC is also improving the efficiency of its technology program. In FY 2003, OPIC implemented an Investment Review Board process to ensure that all IT funds adequately incorporate agency priorities and business needs. OPIC also plans to rationalize its business management systems to ensure interoperability among all OPIC programs. In FY 2003, OPIC developed and implemented small business processing procedures, with the goal to process all small business applications within 60 days.

Evidence: OPIC Strategic Plan 2003-2008, OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and OPIC FY 2003 Operating Plan.

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES — Question Weight: 11%

Explanation: While OPIC receives a "Yes" answer due to improved cooperation with other U.S. government agencies, OPIC must continue making progress to institutionalize collaboration and to fully leverage existing government resources. OPIC recently entered into a Memorandum of Cooperation with the Foreign Commercial Service to facilitate collaboration between OPIC and the FCS on all OPIC-related activites. OPIC has also implemented procedures to ensure that all USAID missions overseas are made aware of OPIC activities. For example, it is now general practice for OPIC Finance Officers to meet with USAID mission directors when on travel to Africa. OPIC is currently negotiating an MOU with USAID to ensure program complementarity. The Finance Program also requires comments from the U.S. Embassy in the host country prior to finalizing any Finance contract. OPIC and the U.S. Small Business Administration have signed an MOA to enhance OPIC's access to small business-sponsored projects.

Evidence: Memorandum of Cooperation Between OPIC and the United States Foreign Commercial Service, joint letter of intent to enter into an MOU from OPIC President Peter Watson and USAID Deputy Administrator Fred Schiek, internal documantation requiring comments from Embassy and a clearance from the State Department prior to closing any finance transaction.

3.6 Does the program use strong financial management practices?

Answer: YES — Question Weight: 11%

Explanation: OPIC has received a clean audit opinion for every year of its existence. The Finance Program requires that all projects be approved by a Credit Committee for financial and policy soundness as well as by the Investment Committee and OPIC Board of Directors, depending on the size of the transaction. However, the credit function, including the Credit Committee, has not been sufficiently independent from the Finance program to ensure sound credit decisions on projects. Based on this finding, OPIC has taken steps to improve the independence of the Credit Committee and has agreed that further enhancements would help ensure sound credit decisions. These enhancements include ensuring the independence of the Credit Committee and the credit review process from the deal originating departments.

Evidence: OPIC Annual Reports contain the clean audit opinions. The Quarterly Political Risk Insurance Detail Report and Monthly OPIC Portfolio Report monitor the health of the insurance portfolio.

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 11%

Explanation: OPIC has taken steps to link the performance of its managers to program strategic goals. OPIC is launching a new senior level (SL) staff category, which is similar to the Senior Executive Service program. The SL category is designed to attract and retain highly qualified individuals and provide continuity between Administrations. In August 2002, OPIC conducted training for all managers and supervisors to instruct them in how to develop measurable performance targets that link to department goals for their employees. The Office of Investment Policy at OPIC has also briefed the Finance Program staff on the new developmental measures.

Evidence: "Developing Performance Standards" training materials, prepared and presented by FPMI Communications, contained specific suggestions and examples for how supervisors and managers can create performance standards and link those standards to Finance Program goals. The material also discussed how managers can use that information to improve program management.

3.CR1 **Is the program managed on an ongoing basis to assure credit quality remains sound, collections and disbursements are timely, and reporting requirements are fulfilled?** Answer: YES Question Weight: 11%

Explanation: The Finance Program is managed on an on-going basis that assures that credit quality remains sound, collections and disbursements are timely, and reporting requirements are fulfilled. OPIC's Portfolio Management unit prepares annual loan reviews and quarterly loan loss reserve and portfolio reporting for top management. OPIC also has a separate Risk Management unit that regularly assesses the health of the finance portfolio. The Finance Program also monitors projects on an individual basis, including site visits when necessary.

Evidence: Quarterly Loan Loss Reviews, Annual Loan Reviews, past-due reports (weekly), and project monitoring reports show that OPIC closely manages credit quality.

3.CR2 **Do the program's credit models adequately provide reliable, consistent, accurate and transparent estimates of costs and the risk to the Government?** Answer: YES Question Weight: 11%

Explanation: OPIC utilizes OMB-approved credit subsidy models and has worked with OMB to improve its existing models to better account for project risk. In FY 2004, the Finance Program is using an enhanced subsidy model. OPIC Finance Program's credit manual enumerates the specific credit procedures and principles for accounting for risk and estimating subsidy. OMB works with OPIC staff on unusual transactions to ensure risk and costs are sufficiently considered.

Evidence: OPIC Credit Manual, auditor reports, and new OMB-approved subsidy model.

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight: 25%

Explanation: OPIC has installed new long-term performance goals, therefore, data is not yet available. OPIC has tracked some developmental impacts of its projects for over 30 years. In FY 2002, the Finance Program estimates that projects it supported created 6,618 new jobs in developing countries, $1.259 billion in local procurement, and $129 million in host country tax revenues. Based on these results, the program receives a "Small Extent" answer.

Evidence: The FY 2002 Performance Report demonstrates that OPIC has achieved some of its development goals.

4.2 **Does the program (including program partners) achieve its annual performance goals?**

Answer: SMALL EXTENT — Question Weight: 25%

Explanation: OPIC has installed new annual performance goals, therefore, data is not yet available. In FY 2002, the Finance Program achieved some of its annual performance goals based on OPIC's previous indicators. For example, in FY 2002 OPIC achieved its goal that 90 percent of new projects would be able to demonstrate host country benefits (jobs and host government revenue), as 93 percent of new projects met this goal. OPIC also achieved its performance goal related to projects with small business sponsors. The number of small business projects exceeded the historical average for this category by 23 percent in FY 2002, when 69 percent of new OPIC projects had small business sponsors.

Evidence: The FY 2002 Performance Report demonstrates that OPIC has achieved some of its annual performance goals.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?**

Answer: LARGE EXTENT — Question Weight: 25%

Explanation: The program has installed new efficiency measures, therefore, data is not yet available. However, the program receives a "Large Extent" because it has instituted several reforms. First, the agency has improved its staff evaluation system to explicitly consider the employee's contribution to achieving the programs goals. Second, the program has implemented a 60-day goal for processing small business applications. Third, processing times for all projects has improved from 6.9 months in FY 1999 to 5.8 months in FY 2002. For small business projects only, processing time has decreased from 6.6 months in FY 1999 to 5.7 months in FY 2002.

Evidence: New Individual Performance Plans for FY 2004 and the Finance Program Operating Plan show evidence of improved efficiencies.

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA — Question Weight: 0%

Explanation: There is no other program in the U.S. government or the private sector that has the same developmental purpose and tools as OPIC.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: SMALL EXTENT — Question Weight: 25%

Explanation: While few independent evaluations have been conducted, the program receives a "Small Extent" because of the anecdotal evidence contained in an Institute for International Economics Report. For example, the report states, "The new leadership at OPIC has refocused the Corporation on its original missions of facilitating economic development with a determination to complement rather than compete with the private sector.... The OPIC presence thus allows foreign investment projects to move forward that otherwise would never be launched."

Evidence: Institute for International Economics Report "Reforming OPIC for the 21st Century" (May 2003)

PART Performance Measurements

Program: Overseas Private Investment Corporation - Finance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation

Measure: Number of jobs per $1,000,000 invested

Additional Information:

Year	Target	Actual
2003	>20	18.6
2004	>20	
2005	>20	
2006	>24	
2007	>24	
2008	>28	

Measure Term: Annual

Measure: Managerial and professional jobs as a proportion of total jobs created

Additional Information:

Year	Target	Actual
2003	>40%	33%
2004	>40%	
2005	>40%	
2006	>45%	
2007	>45%	
2008	>50%	

Measure Term: Annual

PART Performance Measurements

Program: Overseas Private Investment Corporation - Finance

Agency: International Assistance Programs

Bureau: Overseas Private Investment Corporation

Measure: Efficiency of small business projects as measured by application processing time

Additional Information: Reduce SBC application processing time from time completed application is received

Measure Term: Annual (Efficiency Measure)

Year	Target	Actual
2003	105 days	102 days
2004	90 days	
2005	75 days	
2006	60 days	
2007	60 days	
2008	60 days	

Program ID: 10000388

PART Performance Measurements

Program: Overseas Private Investment Corporation - Finance

Agency: International Assistance Programs

Bureau: Overseas Private Investment Corporation

Measure: Percentage of staff that will receive formal training

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	>40%	
2004	>40%	
2005	>40%	
2006	>45%	
2007	>45%	
2008	>50%	

Measure: Percentage of local ownership of project

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	>20%	15.5%
2004	>20%	
2005	>20%	
2006	>25%	
2007	>25%	
2008	>30%	

Program Assessment Rating Tool (PART)

Program: Overseas Private Investment Corporation - Insurance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: OPIC's authorizing language and mission statement clearly state the mission of the OPIC Insurance Program to "mobilize and facilitate U.S. private capital participation in the economic and scoial development of less developed countries and areas of the world as well as countries which are transitioning from non-market to market economies." OPIC has made more consistent public statements of its development mission, such as by updating its website to highlight the agency's development focus. It is unclear whether these actions have changed clients perceptions of OPIC.

Evidence: Section 231 of the Foreign Assistance Act of 1961 (P.L. 87-195), mission statement found in GPRA documents, Congressional testimony, public statements and OPIC brochures and website.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 20%

Explanation: OPIC's Insurance Program strives to provide insurance to projects only if there is insufficient capacity in the private political risk insurance market. Private insurers generally do not extend political risk coverage to small business, for example.

Evidence: OPIC's Application for Political Risk Insurance requires applicants to certify that they have first sought insurance from the private market. Applicants are asked to explain why terms, conditions, rates or tenor are unacceptable. OPIC's participation in the project depends on the answers provided in the application. (See question 2.5 below.)

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight: 20%

Explanation: While no other federal, state or local agency provides political risk insurance, the Multilateral Insurance Guaranty Agency (MIGA), an arm of the World Bank, does provide essentially the same coverages as OPIC provides. However, MIGA provides insurance to companies from all World Bank member countries, while OPIC insures investment connected with the United States. While private companies also provide political risk insurance, OPIC's Insurance Program has instituted meaningful procedures to make it more likely that it complements the private sector, rather than competes with or displaces private sector insurance. For example, OPIC ensures that private insurers in the United States are given an opportunity to insure or participate in virtually every transaction that comes to OPIC. (However, see the issues identified in Question 2.5.) Private insurance is not available in many countries where OPIC operates.

Evidence: OPIC Private Insurer Cooperation Program and the OPIC Application for Political Risk Insurance outline the procedures for ensuring OPIC does not compete with the private sector.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: OPIC's Insurance Program operates under standards that are consistent with underwriting standards in the private political risk insurance market. One area of potential concern, however, is the co-mingling of investment guaranties with political risk insurance found in the new Non-Honoring of Sovereign Guaranty product. While OPIC's mission and historic practice has been to facilitate private investment, OPIC has entered the sovereign guaranty market with this new product. The Non-Honoring product is currently being reviewed by an interagency working group.

Evidence: Interviews with private insurers and information gained through the Berne Union confirm OPIC's underwriting standards.

Program Assessment Rating Tool (PART)

Program:	Overseas Private Investment Corporation - Insurance	**Section Scores**				**Overall Rating**
Agency:	International Assistance Programs	1	2	3	4	Adequate
Bureau:	Overseas Private Investment Corporation	100%	75%	100%	42%	
Type(s):	Credit					

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?**

Answer: YES Question Weight: 20%

Explanation: OPIC's Insurance Program provides insurance to companies that would not otherwise be able to access private sources of political risk insurance. The program is targeted to U.S. companies, large and small, that are investing in developing countries. Pursuant to OPIC's Private Insurer Cooperation Program, all applicants are required to first seek political risk insurance from the U.S. private insurance market. Depending on the availability of such insurance in the private market, OPIC will participate in a transaction to the extent OPIC's support is additional. (But see the issues identified in Question 2.5.) OPIC's internal documentation includes an additionality checklist that must be completed for all transactiions.

Evidence: Section 231 of the Foreign Assistance Act of 1961 (P.L. 87-195), OPIC Private Insurer Cooperation Program, Additionality Checklist

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES Question Weight: 12%

Explanation: OPIC's Insurance Program has recently established specific, quantifiable long-term goals. These goals are outlined in the agency's Strategic Plan. They are comprised of developmental targets, additionality tracking and risk management targets, implementation of OPIC's Small Business Center, and increased efficiency (reduced application processing time) goals. These goals are also incorporated into the Insurance Program Operating Plan.

Evidence: OPIC 2003-2008 Strategic Plan and 2003 Insurance Operating Plan.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?**

Answer: YES Question Weight: 12%

Explanation: During the first half of FY 2003, OPIC worked closely with OMB to develop targets and timeframes for achieving the program's long-term performance goals. The targets and timeframes for each long-term measure are specific and ambitious.

Evidence: OPIC 2003-2008 Strategic Plan and OPIC FY 2003 Annual Performance Plan

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?**

Answer: YES Question Weight: 12%

Explanation: The Insurance Program has specific annual peformance measures outlined in the department Operating Plan and the agency Annual Performance Plan. These documents include developmental measures, number of small business contracts, new contracts in priority areas, measures of additionality, and efficiency measures.

Evidence: 2003 Insurance Operating Plan and OPIC FY 2003 Annual Performance Plan

Program: Overseas Private Investment Corporation - Insurance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 12%

Explanation: OPIC has baselines for four of its performance measures. These measures include: 1) average cycle time baseline of 372 days per insurance deal; 2) number of host country jobs supported; 3) number of monitored on-going projects that meet OPIC's U.S. effects, environmental and worker rights standards (100 percent compliance); and 4) the number of small business investors assisted by the Insurance Program (25 percent increase over the baseline of 36 percent of new contracts in FY 2002). Performance targets are sufficiently ambitious and were developed in consultation with OMB. The Insurance Program began implementing its new development measures on July 1, 2003.

Evidence: OPIC FY 2003 Annual Performance Plan. OPIC's FY 2002 Annual Performance Report contains additional performance data using the agency's previous performance measures.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: YES Question Weight: 12%

Explanation: OPIC requires its insurance clients to provide information on availability of private insurance and to complete extensive questions regarding the developmental impact of their projects. The Insurance Program also includes an additionality checklist in its internal documentation which must be completed satisfactorily prior to contract execution. While the program has significantly improved its additionality procedures and policies, the program gives clients discretion in determining what private terms, conditions, rates, and tenor are "insufficient" or "unreasonable," which allows a client to reject private insurance and instead purchase OPIC insurance. The operation of the additionality procedures will need to be monitored to determine whether this discretion is undermining the policy's effectiveness.

Evidence: OPIC Application for Political Risk Insurance (revised to include developmental questionnaire), OPIC additionality checklist (required for all projects prior to closing).

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: NO Question Weight: 12%

Explanation: Independent evaluations of the Insurance Program are not regularly conducted. Two reports have touched on limited aspects of the program: a 1997 GAO Report and a 2003 report by the Institute for International Economics on "Reforming OPIC for the 21st Century." OPIC also regularly receives clean financial audits from outside auditors. Most recently, KPMG provided a clean financial audit of OPIC.

Evidence: GAO Report "Overseas Investment: Issues Related to the Overseas Private Investement Corporation's Reauthorization" (September 1997), Institute for International Economics Report "Reforming OPIC for the 21st Century" (May 2003), and OPIC Annual Reports

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO — Question Weight: 12%

Explanation: OPIC has improved the detail of its budget requests, but still has significant progress to make in linking its budget to the agency's long-term performance goals. For example, the FY 2004 budget request to OMB discussed in general terms how funding would be used to further OPIC's development mission, small business program, and operational efficiency. In FY 2005, OPIC will continue to make progress in this area by incorporating the 2005 Annual Performance Plan into the FY 2005 budget request, and by discussing how the agency will meet its performance targets in FY 2005. Further work will need to be done to fully link OPIC's budget to performance goals.

Evidence: OPIC budget requests and annual Performance Plans contain no linkages between budget and performance goals.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?**

Answer: YES — Question Weight: 12%

Explanation: OPIC has made significant improvements in its strategic planning. OPIC now has specific developmental and additionality measures in its Annual Plan and Strategic Plan.

Evidence: OPIC Strategic Plan 2003-2008, OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and Insurance Program Additionality Checklist

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES — Question Weight: 12%

Explanation: Performance information is collected and tracked throughout the life of the project via a self monitoring questionnaire (required annually) and periodic site visits by OPIC personnel. The insurance portfolio is regularly monitored by the insurance unit and OPIC's Risk Management unit.

Evidence: OPIC Self-Monitoring Questionaire, Risk Management unit's internal reports (Quarterly Detail Report on Insurance, Quarterly Portfolio Reports, and Annual Claims Reports), OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and Insurance Program Operating Plan

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES — Question Weight: 12%

Explanation: OPIC has instituted new individual evaluation criteria to better manage program activities. In the current employee review cycle (beginning September 2003), Insurance Program and its personnel will be evaluated for the first time on the developmental impact of the projects supported. The program's performance goals have been communicated to all insurance officers and managers. Each employee is aware that their individual performance evaluation will include a discussion of how their projects performed relative to the program's goals.

Evidence: Revised Individual Performance Plans for FY 2004

Program: Overseas Private Investment Corporation - Insurance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?

Answer: YES — Question Weight: 12%

Explanation: OPIC obligates funds in a timely manner and ensures that funds are apportioned correctly. OPIC's SF-132s are submitted in a timely manner and approved by OMB as required. OPIC's internal controls include a department budget management system that tracks all expenditures as they occur.

Evidence: SF-132 Apportionment Requests and Quarterly Obligation Status Reports.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES — Question Weight: 12%

Explanation: OPIC has instituted new efficiency goals, measured in terms of reduced application processing, or cycle, time. The program's goal is to achieve a 20 percent reduction in cycle time by the end of FY 2008, based on the baseline FY 2002 cycle time. OPIC is also improving the efficiency of its technology program. In FY 2003, OPIC implemented an Investment Review Board process to ensure that all IT funds adequately incorporate agency priorities and business needs. OPIC also plans to rationalize its business management systems to ensure interoperability among all OPIC programs. In FY 2003, OPIC developed and implemented small business processing procedures, with the goal to process all small business applications within 60 days.

Evidence: OPIC Strategic Plan 2003-2008, OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and OPIC FY 2003 Operating Plan.

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES — Question Weight: 12%

Explanation: While OPIC receives a "Yes" answer due to improved cooperation with other U.S. government agencies, OPIC must continue making progress to institutionalize collaboration and to fully leverage existing government resources. OPIC recently entered into a Memorandum of Cooperation with the Foreign Commercial Service to facilitate collaboration between OPIC and the FCS on all OPIC-related activites. OPIC has also implemented procedures to ensure that all USAID missions overseas are made aware of OPIC activities. For example, it is now general practice for OPIC Insurance Officers to meet with USAID mission directors when on travel to Africa. OPIC is currently negotiating an MOU with USAID to ensure program complementarity. The Insurance Program also requires comments from the U.S. Embassy in the host country prior to finalizing any insurance commitment or contract. OPIC and the U.S. Small Business Administration have signed an MOA to enhance OPIC's access to small business-sponsored projects. OPIC collaborates with MIGA and private insurers through the Berne Union.

Evidence: Memorandum of Cooperation Between OPIC and the United States Foreign Commercial Service, joint letter of intent to enter into an MOU from OPIC President Peter Watson and USAID Deputy Administrator Fred Schiek, internal documantation requiring comments from Embassy and a clearance from the State Department prior to closing any insurance transaction.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 12%

Explanation: OPIC has received a clean audit opinion for every year of its existence. Most recently OPIC was awarded a clean audit opinion by the independent company KPMG LLP on December 18, 2002. The Insurance Program requires that all projects be approved by a Policy Review Committee for financial and policy soundness as well as by the Investment Committee and OPIC Board of Directors, depending on the size of the transaction. OPIC also has a separate Risk Management unit that regularly assesses the health of the insurance portfolio. Finally, The Insurance Program's overall recovery record of 94 percent indicates sound financial management.

Evidence: OPIC Annual Reports contain the clean audit opinions. The Quarterly Political Risk Insurance Detail Report and Monthly OPIC Portfolio Report monitor the health of the insurance portfolio.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 12%

Explanation: OPIC has taken steps to link the performance of its managers to program strategic goals. OPIC is launching a new senior level (SL) staff category, which is similar to the Senior Executive Service program. The SL category is designed to attract and retain highly qualified individuals and provide continuity between Administrations. In August 2002, OPIC conducted training for all managers and supervisors to instruct them in how to develop measurable performance targets that link to department goals for their employees. The Office of Investment Policy at OPIC has also briefed the Insurance Program staff on the new developmental measures.

Evidence: "Developing Performance Standards" training materials, prepared and presented by FPMI Communications, contained specific suggestions and examples for how supervisors and managers can create performance standards and link those standards to Insurance Program goals. The material also discussed how managers can use that information to improve program management.

3.CR1 Is the program managed on an ongoing basis to assure credit quality remains sound, collections and disbursements are timely, and reporting requirements are fulfilled? Answer: NA Question Weight: 0%

Explanation: Because the Insurance Program is generally not subject to the Federal Credit Reform Act, it has not managed credit programs in the past. This question is therefore not applicable. However, OPIC has placed a new Non-Honoring of Sovereign Guaranty product that is subject to the Federal Credit Reform Act under the responsibility of the Insurance Program.

Evidence:

3.CR2 Do the program's credit models adequately provide reliable, consistent, accurate and transparent estimates of costs and the risk to the Government? Answer: YES Question Weight: 12%

Explanation: OPIC has placed the responsibility for providing a new product, the Non-Honoring of Sovereign Guaranty, within the Insurance Program. The Non-Honoring Guaranty is subject to the Federal Credit Reform Act, and OMB has approved a subsidy model for the product. Because the product is new, it is unclear how accurately the model captures the risk to the Government at this time.

Evidence: OMB-approved Non-Honoring of Sovereign Guaranty Model.

Program Assessment Rating Tool (PART)

Program:	Overseas Private Investment Corporation - Insurance		**Section Scores**				**Overall Rating**
Agency:	International Assistance Programs		1	2	3	4	Adequate
Bureau:	Overseas Private Investment Corporation		100%	75%	100%	42%	
Type(s):	Credit						

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight: 25%

Explanation: OPIC has installed new long-term performance goals, therefore, data is not yet available. OPIC has tracked the some developmental impacts of its projects for over 30 years. In FY 2002, the Insurance Program estimates that projects it supported created 1,249 new jobs in developing countries, $159.3 million in local procurement, and $13.2 million in host country tax revenues. Based on these results, the program receives a "Small Extent" answer.

Evidence: The FY 2002 Performance Report demonstrates that OPIC has achieved some of its development goals.

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight: 25%

Explanation: OPIC has installed new annual performance goals, therefore, data is not yet available. In FY 2002 the Insurance Program achieved some of its annual performance goals based on OPIC's previous indicators. For example, the number of new insurance contracts exceeded the annual goal by 30 percent and the number of contracts with small businesses exceeded the goal by 133 percent.

Evidence: The FY 2002 Performance Report demonstrates that OPIC has achieved some of its annual performance goals.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight: 25%

Explanation: The program has installed new efficiency measures, therefore, data is not yet available. However, the program receives a "Large Extent" because it has instituted several reforms. First, the agency has improved its staff evaluation system to explicitly consider the employee's contribution to achieving the programs goals. Second, the program has shortened its Application for Political Risk Insurance, thereby making OPIC programs more user-friendly and likely reducing processing time. Third, insurance signing authority has been moved to a lower level in the department and policy review has been greatly streamlined: from a panel decision to a manager decision. Fourth, prospective insurance applicants can now apply on-line, greatly expediting processing.

Evidence: OPIC Application for Political Risk Insurance, New Individual Performance Plans for FY 2004 and the OPIC Website show evidence of improved efficiencies.

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: There is no other program in the U.S. government or the private sector that has the same developmental purpose and tools as OPIC.

Evidence:

Program: Overseas Private Investment Corporation - Insurance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: SMALL EXTENT

Question Weight: 25%

Explanation: While few independent evaluations have been conducted, the program receives a "Small Extent" because of the anecdotal evidence contained in an Institute for International Economics Report. For example, the report states, "The new leadership at OPIC has refocused the Corporation on its original missions of facilitating economic development with a determination to complement rather than compete with the private sector.... The OPIC presence thus allows foreign investment projects to move forward that otherwise would never be launched."

Evidence: Institute for International Economics Report "Reforming OPIC for the 21st Century" (May 2003)

PART Performance Measurements

Program: Overseas Private Investment Corporation - Insurance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation

Measure: Number of jobs created per $1 million invested.

Additional Information: This target first developed for FY04. However, job creation data has been collected for insurance projects for many years.

Measure Term: Annual

Year	Target	Actual
2001		15
2002		18
2003		
2004	20	
2005	20	
2006	24	
2007	24	
2008	28	

Measure: Percentage of on-going OPIC projects monitored for compliance with OPIC's U.S. effects, environmental, and worker rights standards.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2001		
2003		95%
2004	100%	
2005	100%	
2006	100%	
2007	100%	

PART Performance Measurements

Program: Overseas Private Investment Corporation - Insurance

Agency: International Assistance Programs

Bureau: Overseas Private Investment Corporation

Measure: Percentage of on-going OPIC projects monitored for compliance with OPIC's U.S. effects, environmental, and worker rights standards.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2008	100%	

Measure: Additionality: Percentage of new projects that would not have gone forward but for OPIC's participation.

Additional Information: This target first developed for FY05. Targets: develop methodology in FY03, establish baseline in FY04.

Measure Term: Annual

Year	Target	Actual
2003		

Measure: Efficiency of small business projects as measured by application processing time.

Additional Information: Reduce SBC application processing time from time completed application is received

Measure Term: Annual (Efficiency Measure)

Year	Target	Actual
2003		77 days
2004	90 days	
2005	75 days	
2006	60 days	
2007	60 days	

Program Assessment Rating Tool (PART)

Program:	Child Survival and Health (LAC)
Agency:	United States Agency for International Development
Bureau:	Latin America and Caribbean (LAC) Bureau
Type(s):	Competitive Grant

Section Scores				**Overall Rating**
1	2	3	4	Results Not Demonstrated
100%	25%	70%	53%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: The level of analysis used is based on the Latin America and Caribbean (LAC) Region, not the country level. At times, information is given for progress at the country level when information is not available at the regional level. Neither the Foreign Assistance Act of 1961 nor subsequent legislation to date specifically authorizes Development Assistance and Child Survival and Health (CSH) programs. The CSH account funds activities in support of immunization, oral re-hydration, health, nutrition, water and sanitation displaced and orphaned children, prevention, treatment and control of, HIV/AIDS, TB, malaria, polio, and family planning/reproductive health. LAC has 16 field operating units (OUs) in three sub-regions, three field-managed sub-regional programs and two Washington-managed programs; 16 of these 21 OUs support CSH funded health programs. The CSH programs in LAC are linked to U.S. foreign policy priority to advance sustainable development by improving human health and reducing the spread of infectious diseases in the Hemisphere, helping people realize their reproductive intentions; and addressing the HIV/AIDS epidemic. LAC CSH programs contribute to USAID goals. The CBJ and the Assistant Administrator cite improving health as an "excellent development investment" and identify LAC priority health areas as maternal health, child survival and reproductive health, HIV/AIDS; and infectious diseases.

Evidence: 1. Secretary of State Statement in Bureau Performance Plan (BPP) 2. State-USAID Strategic Plan (draft) 3. USAID Administrator Natsios testimony to HACFO, April 9, 2003 4. AA Franco testimony to SACFO, April 2, 2003 5. AA Franco testimony to the House Committee on International Relations, February 27, 2003 6. Congressional Budget Justification (CBJ) overview

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 20%

Explanation: The development challenges in the LAC region which are addressed under the CSH account include increased prevalence of HIV/AIDS especially in the Caribbean, high infant/child mortality rates among disadvantaged population, pockets of low vaccination coverage, drug-resistant tuberculosis and limited access to quality family planning and reproductive health services. These challenges are validated through statistics from other development agencies including the World Bank and the UN Economic Commission for Latin America and the Caribbean. The LAC Bureau also performs health trends and analyses for most of the Western Hemisphere countries. The trends include data by country and sub-region on the status in nutrition, HIV/AIDS, maternal health, child survival, population growth, spread of infectious diseases, and health policy reform. At the field OU level, in-depth analyses are done to define and quantify specific needs and problems based on country circumstances. For instance, in Brazil, CSH emphasis areas address incidence of HIV/AIDS, tuberculosis and malaria. In Peru, the need is towards improving health institutions and services in a sustainable fashion. Thus, USAID Peru has a three-pronged approach to improve the quality of services and capacity of institutions, to effect behavioral change, and formulate and implement policy reforms.

Evidence: 1. AA Franco testimony to SACFO, April 2, 2003 2. AA Franco testimony to the House Committee on International Relations on February 27, 2003; 12/19/02 3. Financial Times article by Mark Mulligan "Early signs of recovery in Latin America" 4. CBJ Overview; Health Trends analysis by LAC 5. Dominican Republic and Brazil Strategic Plans 6. Peru Strategy 7. Management Letter between LAC Bureau and Missions - Peru management Letter provided as example

Program: Child Survival and Health (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	70%	53%	

1.3 **Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight: 20%

Explanation: As one of several development entities in a developing host country, and the lead USG foreign assistance entity, USAID coordinates with all of the other in-country US Government (USG) entities under the aegis of the U.S. Ambassador, as well as with the host government and other prominent donors, to avoid duplication of assistance efforts and eliminate program redundancies, and promote country program synergies. For example, in El Salvador, the Center for Disease Control and USAID jointly designed and implemented a program to strengthen an integrated public health surveillance system. Preparation of the annual Mission Performance Plan (MPP) is coordinated by the U.S. Embassy and documents all activities of USG agencies that are carried out in that country. Country Team meetings, involving the principals of all USG entities and chaired by the Ambassador are also held on a weekly basis. Further, USAID and other bilateral and multilateral donors, the relevant host Government Office, and implementing partners including the UN health agencies and the Pan American Health Organization meet regularly to share development experiences and successes, and maximize assistance outcomes. Finally, through the Global Development Alliance (GDA), LAC leverages private resources for jointly funded programs, e.g., those with the Gates Foundation on immunization and nutrition issues.

Evidence: 1. Mission Performance Plan (MPP) - Bolivia, El Salvador, and Honduras as examples 2. CJB--Donor Collaboration section 3. OU Example: International Assistance section of Brazil strategy (pg. 13-15) 4. Donor Collaboration section of Health Strategic Objective in Peru Strategy (pg. 72-73) 5. Global Development Alliance (GDA) Guidelines 6. List of Public-Private Alliances with the Gates Foundation in LAC countries 7. USAID grant with PAHO. 8. The Automated Directives System (ADS) - Sections 201.3.6 and 201.3.7 (pg. 26-38) provides Agency guidance for the preparation of Strategic Plans. Section 201.3.9.2 provides specific guidance on donor coordination analysis in the strategic planning phase.

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%

Explanation: As required by the Automated Directives System (ADS), LAC OUs must develop a Results Framework (RF) for each strategic objective (SO), linking the development challenge being addressed to program implementation activities and milestones to be achieved. The SO is the most ambitious result in a particular program area that an operating unit (with its partners) can materially affect and for which it is willing to be held accountable. The RF is informed by various technical and resource analyses and include sector assessments, lessons learned, gender and country conflict vulnerability analysis. The LAC Bureau's CSH program strategy design process is initiated at the OU level in consultation with the Global Health Bureau to ensure that LAC strategies with CSH activities are relevant to the specific country needs and circumstances. All OU strategies are subject to intensive agency-wide reviews. Final agency approval is contingent on the resolution of all technical and policy-related issues and concerns that were raised during the reviews, as well as consistency with the LAC Bureau's stated priorities and U.S. Foreign Policy interests.

Evidence: 1. ADS 201 pg. 30-33 provide Agency guidance regarding the content of Strategic Plans; ADS 201 pg. 42-48 provide guidance on mandatory and other analyses for developing Strategic Plans 2. Examples of Strategy: USAID/Brazil HIV/AIDS Strategic Objective including Results Framework and Peru Health Strategic Objective Strategy 3. Example of LAC review of OU Strategic Plan: Peru Management Letter and Issues Paper as examples 4. June 2003 Ecuador Scope of Work for a Health Assessment. (See pg. 58 -64 and Annexes I-III of Peru strategy for a sample summary of the analyses. See pg. 77-86 of Brazil HIV/AIDS strategy for a sample listing of primary and secondary research and interviews conducted to complete these analyses. See June 2003 Ecuador Health Assessment Scope of Work which includes review of health financing options.)

Program Assessment Rating Tool (PART)

Program: Child Survival and Health (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	70%	53%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES   Question Weight: 20%

Explanation: Management in the LAC Bureau is decentralized in that individual strategies are developed and implemented by OUs. Widespread consultation with prominent partners, customers (including beneficiaries), and stakeholders is critical to the development and implementation of all OUs strategic plans. This consultation is done through meetings, workshops, retreats, and surveys. The results of these consultations are integrated into strategic plans and implementation, (i.e. results and activities) are influenced by feedback from stakeholders. In addition, Country and Assistance Checklists are completed to ensure that USAID assistance is targeted at eligible countries and eligible organizations.

Evidence: 1. Example of OU Strategy - Peru Strategy (Health Strategic Objective pg. 73) and Brazil HIV/AIDS Strategic Objective (see discussion of beneficiaries, target groups and target areas pg.23-25) 2. Report to Congress " USAID Child Survival and Health Program Funds Progress Report (FY 2002) 3. Country Checklist; Assistance Checklist 4. ADS 201.3.6 and 201.3.7 (pg. 26-38) provides Agency Guidance on the content of strategic plans including involvement of customers, stakeholders and partners. (See pg. 73 of Peru Strategy for a summary description of Customer/Beneficiary consultations.)

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: NO   Question Weight: 12%

Explanation: At the regional level, the LAC Bureau currently does not have identified long-term measures for CSH or any other program. Countries within the region - ranging from non-Spanish speaking Haiti to Mexico to Bolivia - are heterogeneous and are rarely on the same point of the development continuum. Nonetheless, LAC and Policy and Program Coordination are working towards common sets of indicators. Plans call for regional performance measures for the Central America and Mexico Region to be ready in FY2004. The effort to identify applicable long-term measures for the remaining sub-regions will continue over the next year. At the OU-level, there are identifiable long-term indicators and targets that are linked to the Strategic Objectives related to CSH. These indicators and targets, as well as baseline data, are contained in every OU's Performance Management Plan (PMP). For example, in El Salvador, the Mission has four CSH indicators over a five-year period at a minimum: infant mortality rates, diphteria, pertussis, and tetanus (DPT3) coverage for children under 12 months, contraceptive prevalence rate, and number of latrines and water systems constructed or rehabilitated.

Evidence: 1. Agency Guidance on Performance Management - specifically ADS 203.2 through 203.3.5 2. Example of a PMP : El Salvador Performance Management Plan (PMP) 3. USAID's Expanded Response to HIV/AIDS(pg. 17-19)

2.2 Does the program have ambitious targets and timeframes for its long-term measures?

Answer: NO   Question Weight: 12%

Explanation: N/A to LAC regional programs at this point (see 2.1). OUs are delegated the authority to define targets and timeframes for their respective Strategic Objectives (SO). The OU's Performance Management Plan (PMP) details targets by SO over the life of the program. The LAC Bureau reviews targets at the SO level during the strategy approval process (approximately every five years). OUs are responsible for data quality assessments to determine the measures' validity, reliability, timeliness, precision, and integrity. Changes could also be introduced when circumstances change. For example, in El Salvador, the mission is amending the agreement with its implementing partner due to a decrease in child survival/maternal health funds. This will require a revision of targets and activities.

Evidence: 1. OU-level indicators - El Salvador Mission PMP as example; ADS 203.3.5 for Agency Guidance on Data Quality Assessments

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?

Answer: NO   Question Weight: 12%

Explanation: N/A to LAC region at this point (see 2.1). At the OU-level, the PMP includes annual performance measures which are used to assess progress towards the programs' long-term goal. The PMP provides baseline data and annual targets, among other information. Performance of SOs is assessed and documented annually. For example, USAID/Brazil has two SO level indicators for its CSH-funded HIV/AIDS program which are tracked annually: (1) HIV seroprevalence rate in pregnant women aged 15-24, and (2) HIV seroprevalence rate among high-prevalence populations.

Evidence: 1. OU level indicators - Brazil HIV/AIDS Strategy as example of indicators to be included in USAID/Brazil's HIV/AIDS PMP (see p. 31-32)

2.4 Does the program have baselines and ambitious targets for its annual measures?

Answer: NO   Question Weight: 12%

Explanation: N/A to LAC region at this point (see 2.1). However, each OU's Performance Management Plan (PMP) includes baseline figures and annual targets. The LAC Bureau reviews proposed SO-level indicators and targets when a new strategy is submitted to LAC/Washington for review and approval (approximately every five years). Each SO also defines Intermediate Results (IRs) that are incremental over time and contribute directly to the attainment of the objective. During this phase, illustrative targets are identified and these are finalized within a year of the SO's approval. As an example, Peru's Strategy defined the SO as "Improved Health for Peruvians at High Risk" and one of three IRs contributing to that SO is "Quality Services Accessible and Utilized." Annual indicators used by USAID/Peru to assess performance of the SO and the above IR include: (1) fertility gap, (2) adolescent pregnancy rate, (3) births attended by a trained health professional, and (4) contraceptive market share of private producers and suppliers. Baseline data and targets for these indicators were preliminarily defined. During the annual performance review, the OU will consider, among other things, whether targets should be adjusted in light of recent performance so as to remain ambitious.

Evidence: 1. Peru PMP and Strategy Illustrative Performance measures (pg. 70 of Peru Strategy) as examples. ADS 203.2, 203.3, 203.4 and 203.5 provide Agency Guidance on Performance Management and Data Quality

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?

Answer: NO   Question Weight: 12%

Explanation: N/A to LAC region (see 2.1). At the OU-level, Strategic Objective Agreements (SOAG) with host Governments outline the terms of agreement, including commitment to shared goals of USAID/LAC OUs and counterpart Ministries. Solicitation documents for contractors and grantees such as Request for Proposals (RFP), Request for Applications (RFA) or Annual Program Statements (APS) incorporate SO and/or program objectives. Respondents to the RFP or RFA need to articulate how they plan to contribute to the achievement of LAC Mission Strategic Objectives. The extent to which they would be able to help achieve these shared objectives and goals is incorporated in the technical merit criterion of the selection criteria. Grants and Contract agreements incorporate or reflect these shared commitments to common goals, typically in the scope of work section. These commitments are likewise reflected in Contractors and Grantees annual work plans. By the terms and conditions of their agreements, contractors and grantees provide quarterly progress reports to OUs that document their results to date. USAID managers verify information in these reports through monitoring, site visits, and meetings. The information in the OU's PMP includes results reported and verified from contractors and grantees.

Evidence: 1. Sample SOAG 2. Brazil HIV/AIDS Request for Applications 3. ADS 350 guidance on SOAGs 4. ADS 303.5.5 b and c provide Agency guidance on Evaluation Criteria for Grants 5. Program Approach, Design, and Implementation section of Brazil HIV/AIDS RFA, pg. 7 6. Brazil HIV/AIDS RFA, pg. 17 7. Program Description of Brazil RFA 8. Monitoring, Evaluating and Reporting section of Brazil HIV/AIDS RFA, pg. 9

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES

Question Weight: 12%

Explanation: Evaluations are intended to look at results achieved vs. targets/goals, program impact and effectiveness, and lessons learned among others. In the past five years, approximately 200 evaluations have been conducted for the LAC Bureau's programs including CSH-funded activities. A break-out of evaluations of CHS-only activities is not available because evaluations are often cross-sectoral and activities can involve multiple funding sources. Situations that require evaluations include: input to inform a key management decision; performance data that indicate an unexpected result or finding which cannot be readily explained and therefore, needs further analysis, customer or partner feedback that suggest there are implementation problems or unmet needs; the need to re-examine program sustainability; cost-effectiveness or relevance; and to identify lessons learned. Evaluations are internal, independent or involve a combination of evaluators. The type of information sought determines how the evaluation should be approached. An independent evaluation is conducted by a unit or expert not directly associated with the activity or program such as a consulting firm which is competitively bid. An example is the September 2002 final evaluation of Nicaragua's Child Survival project which shows that program goals have been achieved. In addition, the USAID Office of the Inspector General (IG) conducts audits both on program performance and management. For example, the May 2002 IG audit of USAID Bolivia's Financial Operations showed that all advances and disbursements were made in accordance with established policy and regulations, but check issuing data needed to be entered into the electronic payment tracking system. In addition to evaluations, LAC Bureau conducts intensive reviews of programs approximately once every three years during which time participants from outside the OU (including staff from LAC/Washington, PPC, the Pillar Bureaus, STATE, etc.) have an opportunity to assess program performance and, as necessary, provide guidance for improving the effectiveness or impact of the program.

Evidence: 1. LAC list of evaluations, as compiled by USAID's Center for Development Information and Evaluation (CDIE) 2. Inspector General Audit reports see Bolivia Financial Operations audit as example 3. See Independent Evaluations of Nicaragua's Child Survival project, pg 8 4. ADS 203.3.6 provides Agency guidance on evaluations

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO

Question Weight: 12%

Explanation: N/A to LAC region at this point (see 2.1). Each OU reviews (typically on a semi-annual basis) its performance vis-à-vis approved strategies. OUs prepare an Annual Report (AR) that summarizes program progress by Strategic Objective (SO) including: whether targets were met, reviewing the financial status, and planned resource requirements. The LAC Bureau leads a comprehensive review of all OU ARs, which may include relevant Washington Offices. Informed by the review findings and recommendations and taking other factors into consideration such as country need and commitment, foreign policy considerations and administration priorities, and CSH sector focus, the LAC Bureau decides on resource levels for each OU and rolls up the information for determining the aggregate Bureau Program and Budget Submission (BPBS). In terms of transparency, the CBJ presents in a succinct and transparent manner all the SOs by country, their progress to date, and the OU's requested funding levels by SO. That these requested levels are not always satisfied is directly attributed to the findings of the Washington reviews as well as funds availability and Congressional appropriation levels.

Evidence: 1. OU Annual Report (AR) - Guatemala as example 2. LAC review of AR - Guatemala as example 3. FY 2005 Bureau Program and Budget Submission (BPBS) Guidance issued by the Agency's Policy and Program Coordination Office 4. Congressional Budget Justification (CBJ)

Program: Child Survival and Health (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	70%	53%	

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 12%

Explanation: LAC conducts intensive reviews of OU strategies at least once every three years in accordance with USAID policy (ADS 203.3.10). This is a mechanism used by USAID to determine if the strategy is going as planned or whether the situation has evolved such that the strategy or implementation needs to be adjusted. (See 2.6.) As discussed in 2.1, in FY 2004 the LAC Bureau will have sub-regional goals and measures for Central America and Mexico, to better build common ground, enhance regional cooperation and development, achieve greater program synergy, and take advantage of management efficiencies at the sub-regional as well as the country level.

Evidence: 1. LAC Timeline for Mission Program/Strategy Reviews 2. Intensive Review memos - Jamaica and Haiti as samples 3. AFranco-PCronin Memo re Central America and Mexico Regional Strategy 4. ADS 203.3.10 - Planning, pg. 39

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 10%

Explanation: Funding recipients are required to manage, monitor, and report performance information on a regular basis. This information is submitted to OUs on a quarterly basis and feed into the Annual Report (AR) and PMP. OUs indicate in the AR the status of targets for CSH. The LAC Bureau, in turn, reviews OU performance via the AR review process. When targets are not met, various options may be considered depending on the specific circumstances and issues involved: the contract or grant agreement may be modified, additional funds may be delayed or not provided, management changes may be introduced, discussions may take place with other partners (other donors or host-country) regarding their commitment, etc. If goals are exceeded the OU will decide whether to set new targets or to focus on other interventions. The AR review process in turn feeds into Bureau decisions about programming, budgeting, and staffing, among others.

Evidence: 1. Operating Unit Annual Report (AR) with Guatemala AR as sample 2. LAC Bureau review of Guatemala AR 3. Operating Unit Performance Management Plan (PMP) with Ecuador as sample 4. USAID's ADS 202.3.6; USAID adherence to 22 CRR 226, "Administration of Assistance Awards to US Non-governmental organizations," section 226.51, "Monitoring and reporting program performance"; ADS 303.7 Mandatory Reference for Grants

Program: Child Survival and Health (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	70%	53%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES   Question Weight: 10%

Explanation: A cognizant technical officer (CTO) is designated for each LAC activity to manage contractors and grantees. CTO responsibilities include, among others, the technical review and approval of vouchers, monitoring contractor/grantee performance and financial status, and overseeing sub-agreements. The Agency recently re-established a training program to certify CTOs responsible for managing contracts and grants. The courses are designed to provide CTOs with the basic skills and knowledge to effectively carry out the role of a CTO. Under USAID's personnel evaluation process, CTOs are evaluated for effective management of agreements, including the quality of technical guidance provided to contractors and grantees. The Agency also offers a course for CTO supervisors to enable them to more effectively provide on-the-job training and to better monitor and evaluate the performance of a CTO. Past performance of contractors and grantees is a criteria in the award. An example is Brazil HIV/AIDS RFA which requires applicants to provide a description of all contracts, grants, and cooperative agreements which the applicant has implemented involving similar or related programs over the past three years with USAID and with other organizations (both commercial and governmental). Institutional capability and past performance is 25% of the total selection criteria in this case. Performance-based type of contracts and agreements are used to focus contractors on achievement of program results. For example, Guatemala's Health SO has the contractor responsible for achieving five specific results: increased use of the Maternal and Child Health services provided by the Ministry of Health (MOH) and its NGO partners; increased adoption of household health practices that favor improved child survival and health; better managed MOH and NGO health programs; greater community participation and empowerment; and increased use of selected MCH services provided by hospitals and clinics of the host-country's social security system. Midterm evaluations are also used to review performance to date and identify issues. An example is the August 2001 mid-term evaluation of Nicaragua's Diversification, Sustainability and Social marketing grant wherein program recommendations were outlined by an independent evaluator and carried out by the program partner.

Evidence: 1. CTO responsibilities as defined in ADS 300 2. Brazil HIV/AIDS RFA, Guatemala G-CAP Performance-based Statement of Work for its Health SO 3. August 2001 mid-term evaluation of Nicaragua's Diversification, Sustainability and Social marketing grant 4. Course description of CTO Certification Program

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES   Question Weight: 10%

Explanation: Obligations, among other financial data, are tracked via Phoenix, an Agency wide accounting system. CSH funds are provided on an incremental, as-needed basis, with specific amounts determined by the budget and final Operating Year Budget setting processes. Once funds are obligated, OUs and the LAC Bureau monitor disbursements over the life of the program. Based on Agency policy and LAC Bureau's analysis, an OU's program may not receive its full increment of funds in a subsequent year if it is determined that an unacceptable level of funds is still unspent (undisbursed). According to Agency policy, a program can only have unspent funds sufficient to cover expected disbursements for the next 12-18 months. Finally, all OUs are required to prepare procurement plans that outline planned procurements and obligations and help ensure that funds are spent in a timely manner and for the intended purpose.

Evidence: 1. Phoenix Flash report 2. ADS 602 also provides specific Agency guidance regarding forward funding of programs 3. LAC Regional Procurement Plan

Program: Child Survival and Health (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	70%	53%	

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: NO Question Weight: 10%

Explanation: Mission Management Assessments (MMAs) recently undertaken by the LAC Bureau provide a systematic and comprehensive view of the Bureau's OUs as a basis for defining ways to improve operations and to help rationalize the allocation of scarce staff and operating expense (OE) resources. The results of the Mexico, Guatemala, Honduras and Nicaragua MMAs were taken into account during the development of the Central America and Mexico Regional strategy. Building upon favorable experience with regional hubs for service support, the Bureau has agreed to move toward one regional platform over time in Central America, which will be located in El Salvador. Consolidation of accounting functions in the Carribbean missions resulted in the reduction of five positions and a future annual cost reduction of approximately $60,000 in OE. The upgrade in Wide Area Renovation Plan communications capability througout the LAC region, coupled with Virtual Private Network technology, has facilitated secure and extremely rapid transmission of raw accounting and payment information from the serviced post to the regional center and back to the serviced post in the form of usable, almost real-time accounting information. As a result, El Salvador performs payment certification functions for Guatemala resulting in the reduction of one position and a future annual cost savings of $70,000. Although the above examples demonstrate operational efficiencies, LAC does not have procedures to measure program efficiency in terms of program output or performance as required.

Evidence: 1. ADS 300 provides the overall guidance on procurement including competitive procurements (ADS 302 for Contracts and 303 for Grants) 2. FAR for ADS 302 -Contracts and 22 CFR 226 for ADS 303 - Grants 3. LAC FY 2005 BPBS (pg. 26-29 for Management Improvements/Operational Efficiencies)

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES Question Weight: 10%

Explanation: State and USAID have recently developed joint goals at the Department/Agency level via the Joint State-USAID Strategic Plan which formalize the relationship highlighted in 1.3. Historically, State and USAID have planned and implemented programs collaboratively at the country level via the MPP, which will now influence the joint State/USAID strategic plan. Weekly country team meetings are held among USG agencies and regular coordination meetings with other donors in a country. In addition, the LAC Bureau and its OUs collaborate and coordinate with related programs in a leadership or participant role through a variety of mechanisms: close working collaboration with UN health organizations and PAHO, working arrangements with other Federal agencies such as CDC, and alliances with the private sector. Finally, the budget request process is a joint effort between State and USAID and is reflected in the FY 2005 Bureau Program Budget Submission which will be the basis for an integrated budget that is submitted to the White House.

Evidence: 1. State-USAID Strategic Plan 2. Examples of MPP - El Salvador, Honduras and Bolivia 3. Example of public-private partner alliance: GDA alliance with the Gates Foundation 4. Example of grant with PAHO 5. FY 2005 Bureau Program Budget Submission 6. Joint Memo dated 9/28/00 from STATE/USAID on guidance and recommendation to improve cooperation and coordination between the agencies

Program: Child Survival and Health (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	70%	53%	

3.6 Does the program use strong financial management practices? Answer: NO Question Weight: 10%

Explanation: Through the Federal Managers Financial IntegrityAct (FMFIA)/Management Control Review Committee process, USAID ensures that resources are protected against fraud, waste and abuse and that they achieve the results for which funds were appropriated. The process requires each OU in the LAC Bureau to do a self-assessment of the adequacy of management controls in all areas of agency operations including program, administrative, and financial management. Each OU submits an FMFIA memo to the LAC Bureau, which in turn submits a Bureau memo to the USAID Administrator. LAC grants and contractors are also subject to audits. Currently, the Phoenix system is used for Washington accounting and the MACS system for field accounting, using two systems has created a disconnect between the two. USAID plans to roll out the Phonenix system to the field, which will resolve the outstanding problems. It is anticipated that a first LAC pilot Mission (USAID/Peru) may begin Phoenix operation in mid-FY 2004. Other pilot Missions will follow a few months later depending on the success of the first pilot. Once Phoneix is deployed to all missions, USAID anticipates getting a "yes" answer for this question.

Evidence: 1. Federal Manager's Financial Integrity Act (FMFIA) checklist 2. OU completed FMFIA analysis- with Ecuador as example 3. LAC Bureau FMFIA memo to USAID Administrator dated October 29, 2002 4. Report on Material Weaknesses - Guyana and Ecuador as examples 5. Agency wide guidelines for Recipient-contracted audits (RCA). The Agency's ADS 620 chapter provides the overarching accounting and financial reporting principles and standards for the Agency 6. ADS 596 provides Agency guidance regarding the accountability and effectiveness of USAID's programs and operations by establishing, assessing, correcting, and reporting on management controls. These ADS chapters are based on regulations issued by Federal oversight agencies, including OMB, Treasury and GAO

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 10%

Explanation: The FMFIA process requires each OU in the LAC Bureau to do a self-assessment of the adequacy of financial management controls in all areas of agency operations including management of program assistance. Each OU submits an FMFIA memo to the LAC Bureau, which in turn submits a Bureau memo to the USAID Administrator. At the OU level, LAC missions address deficiencies or weaknesses that could appropriately be resolved at that level. Any significant deficiency or material weakness (whether new or unresolved from previous FMFIA review) is reported to the LAC Bureau and included in the Bureau FMFIA memo to the Administrator. Steps for resolving the weakness are identified and a date proposed by which the weakness or deficiency will be corrected. In 2002, missions were also specifically requested to complete an information system security checklist, as part of the FMFIA process. The LAC Bureau has also recently undertaken management assessments of its OUs. Six assessments have been completed since May 2002. The results of the Mexico, Guatemala, Honduras and Nicaragua management assessments were taken into account during the development of the Central America and Mexico (CAM) Regional strategy. The assessments have helped define ways to improve Bureau operations such as consolidating accounting functions in regional hubs, resulting in significant savings. The El Salvador mission is poised serve as the Central America regional hub and will provide support services for a number of missions in the region.

Evidence: 1. ADS 620, FMFIA checklist 2. OU completed FMFIA analysis- with Ecuador as sample 3. LAC Bureau FMFIA memo to USAID Administrator dated October 29, 2002 4. Report on Material Weaknesses - Guyana and Ecuador as samples 5. LAC FY 2005 BPBS (pg. 26-29 for Management Improvements/Operational Efficiencies)

Program Assessment Rating Tool (PART)

Program: Child Survival and Health (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	70%	53%	

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?**

Answer: NO Question Weight: 10%

Explanation: LAC contracts and grants are awarded competitively except where supported by documentation approved by officials with authority to approve non-competitive awards. In FY 2002, $78.8 million of new assistance in LAC were awarded competitively, out of a total of $104.7 million (about 75%). Decisions on grant and contract awards are properly documented (via selection memos, memos of negotiation, etc.) USAID Washington (via the Office of Procurement) reviews and provides oversight to ensure LAC adherence to Federal regulations and Agency guidance on competition.

Evidence: 1. ADS 303.5 for Grants and CBD notices for Contracts 2. ADS 202.3.9 provides guidance on ensuring procurement integrity and ethics

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?**

Answer: YES Question Weight: 10%

Explanation: A cognizant technical officer (CTO) is designated for each program to manage contractors and grantees. CTO responsibilities include, among others, technical review and approval of vouchers, monitoring contractor/grantee performance and financial pipelines, and overseeing sub-awards. The Activity Manager and the SO Team Leader, who may or may not be the CTOs, also provide oversight. In addition, mission management is kept informed of program performance, progress, and issues via periodic portfolio reviews, staff meetings, etc. The LAC Bureau, in turn, is informed via the Annual Review process. The OU Agreement Officer is the mandatory control point of record for all official communications and contacts with the recipient that may affect the award budget, the program description or any terms and conditions of the award. Audits per OMB Circular A-133 or recipient-contracted audits are also conducted as required by policy or regulation.

Evidence: 1. Cognizant Technical Officer (CTO) responsibilities as provided in ADS 303.3 for Grants and ADS 302.3 for Contracts 2. Recipient-Contracted Audit guidelines

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?**

Answer: YES Question Weight: 10%

Explanation: In preparing USAID's reporting documents, the data supplied by the various grantees and contractors are utilized to support LAC Bureau's analysis and program descriptions. Disclosure to the public is done in a number of different ways. The USAID FY 2002 Performance and Accountability Report discloses program information at the Agency level. The CBJ (available on the USAID web site) provides specific information to the public on LAC programs including information on SO performance and results, by OU. The CBJ also indicates the various grantees and contractors working in the different SOs. USAID's Center for Development Information and Evaluation (CDIE), via the Development Experience Clearinghouse (DEC), makes some evaluations of specific programs available to the public.

Evidence: 1. USAID FY 2002 Performance and Accountability Report 2. CBJ 3. Program/Activity evaluations

Program: Child Survival and Health (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	70%	53%	

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: NO Question Weight: 20%

Explanation: At the regional level, the LAC Bureau does not have long-term performance measures for CSH programs. LAC is working on developing sub-regional strategies (such as the Central America and Mexico strategy) in which sub-regional indicators will be developed. However, at the country level, these measures and indicators do exist and are contained in OU Performance Monitoring Plans (PMPs). OUs use PMPs to determine program progress which is reported in the individual Mission's Annual Report (AR). OUs report in the AR whether targets are met or exceeded. The LAC Bureau review of ARs from OUs show that programs are generally meeting CSH targets. In the case of El Salvador, 4,400 latrines and 15 water systems were to be constructed over a three year period. The actual results were close to 5,000 latrines and 15 water systems. In this case, the SO team would consider revising their targets upward if targets over a two or three year period are consistently exceeded by 15% to 20%. The additional 600 latrines is less than 20% of the projected target over one year, therefore targets have not been adjusted.

Evidence: 1. Examples of PMP and Annual Report: El Salvador PMP, Guatemala AR

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: NO Question Weight: 20%

Explanation: N/A to LAC regional at this point (see 4.1). At the country level, these measures do exist and are contained in OU PMPs. OUs report in their Annual Report whether targets are met, exceeded or not met. The PMP and Annual Report are the primary documents that show whether program performance is on track. These documents are, in large part, based on grantee and contractor (partner) information. In the case of CSH, targets at the OU level have been predominantly met.

Evidence: 1. Examples of PMP and Annual Report: El Salvador PMP, Guatemala AR

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight: 20%

Explanation: Improvements in technology and consolidation of accounting functions have resulted in major savings. In the Caribbean, results include five less staff positions and an annual OE cost reduction of approximately $60,000. In Guatemala, a reduction of one position meant savings of $70,000 as El Salvador (already poised as a regional support center) assumed payment certification functions. The mission management assessments (MMAs) conducted by LAC since May 2002 provide a systematic and comprehensive view of the Bureau's overseas OUs as a basis for defining ways to improve Bureau operations and to help rationalize the allocation of scarce staff and operating expense resources. The results of the Mexico, Guatemala, Honduras and Nicaragua MMAs have already been taken into account during the development of the Central America and Mexico Regional strategy.

Evidence: 1. LAC FY 2005 BPBS (pg. 26-29 for Management Improvements/Operational Efficiencies)

Program: Child Survival and Health (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	70%	53%	

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: YES Question Weight: 20%

Explanation: Because of its field presence and flexible programming, USAID is often cited by other donors and host governments for its ability to respond quickly, for both disaster assistance and standard international assistance, and for its leadership of country program coordination with other donors. For example, in 2001, the Government of Honduras prepared its Poverty Reduction Strategy Paper (PRSP) in response to the World Bank and the International Monetary Fund's highly indebted poor country (HIPC) initiative. USAID was widely credited for its leadership role among the donors. USAID programming decisions and experience also heavily influenced Nicaragua's PRSP and USAID's involvement facilitated public discussion and debate to a degree that would not have occurred in the past.

Evidence: 1. LAC consultations with the World Bank and IDB on Country Assistance Strategies for Honduras, Bolivia, Nicaragua, and Ecuador, May 2002 2. Evaluation Brief Number 5, March 2003: USAID's Approach to Poverty Reduction - The Case of Honduras (pg. 7-8)

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: YES Question Weight: 20%

Explanation: Independent evaluations have shown that CSH programs are achieving results. The September 2002 final evaluation of Nicaragua's CSH project described it as a five-star project, which included among its results UNICEF's accreditation of the project-assisted health posts and centers and service-oriented leadership by the Ministry of Health. The August 2002 final evaluation of Bolivia's CSH project showed that all its goals have been achieved and the final results are marked improvements from the baseline data on diarrhea incidence in children, maternal health, child spacing, and STI and HIV/AIDS awareness. A perusal of Inspector General (IG) reports indicated that in the past three years, there is only one audit report which stated that results were not completely achieved - in large part due to a new bilateral partner.

Evidence: 1. LAC list of evaluations, as compiled by CDIE 2. Examples: Sept. 2002 final evaluation of Nicaragua's and Aug. 2002 final evaluation of Bolivia's CSH projects, IG report on Mexico Program to Develop Institutional Capacity to Diagnose, Control, and Monitor Tuberculosis

PART Performance Measurements

Program: Child Survival and Health (LAC)

Agency: United States Agency for International Development

Bureau: Latin America and Caribbean (LAC) Bureau

Measure: Measure Under Development

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term

Measure: Measure Under Development

Additional Information:

Year	Target	Actual	**Measure Term:** Annual

Program Assessment Rating Tool (PART)

Program: Development Assistance
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	80%	53%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: The level of analysis used is based on the Latin America and Caribbean (LAC) Region, not the country level. At times, information is given for progress at the country level when information is not available at the regional level. The Foreign Assistance Act of 1961 does not distinctly authorize Development Assistance (DA) and Child Survival and Health (CSH) programs, nor does any specific authorization legislation follow. Per appropriations legislation, the DA account funds activities for free market economic development, agriculture, rural development, literacy and basic education for children and adults, environment, energy, science and technology and other programs related to longer-term development. Any earmarks or restrictions are reflected in the Foreign Operations Appropriations Act. As put forth in the 2003 appropriation report, DA in the LAC region is used to address weak trade and investment including support for environment activities, fragile democratic institutions, systemic corruption and counter narcotics issues, and low social investments in education. LAC's use of DA funds is aligned with US foreign policy priority to advance sustainable development and global interest and contribute to all Agency-wide goals of economic growth and agricultural development, democracy and good governance, human capacity building, and environmental protection. The LAC Operating Units (OUs) align with the Bureau's program purpose via a limited number of country-specific strategic objectives (SOs). OUs are USAID field Missions, regional entities, and USAID/Washington Offices that expend program funds to achieve approved Strategic Objectives. The LAC Bureau in FY 2003 is providing DA funds for 64 SOs managed by 19 OUs overseas.

Evidence: 1. USAID Strategic Plan Revised 2. State-USAID Strategic Plan (draft)3. Anderson-Albright memo on State/USAID coordination dated September 28, 20004. Legislation on DA and ESF accounts5. Asst. Secretary of State Statement in Bureau Performance Plan (BPP)6. USAID Administrator Natsios testimony to House Appropriations Subcommittee on Foreign Operations, April 9, 20037. AA Franco testimony to the Senate Committee on Foreign Relations on April 2, 20038. AA Franco testimony to the House Committee on International Relations on February 27, 20039. Congressional Budget Justification (CBJ) overview

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 20%

Explanation: The DA programs in the LAC region support US foreign policy interests as well as address country level problems. LAC Bureau program is aligned with US foreign policy priorities in the region: promoting broad based economic growth, strengthening democratic processes, reducing poverty, protecting improving health and nutrition, and fostering cooperation on issues such as drug trafficking and crime, and environmental protection. The development challenges in the LAC region include contracting economic growth rates, extensive poverty, unemployment, skewed income distribution, crime and lawlessness, a thriving narcotics industry, and a deteriorating natural resource base. There are also civil unrest due to poor economic conditions, political instability in some countries, and natural disasters. These challenges are documented through LAC's strategic planning processes, in the Budget Justification to Congress and in trend analyses, as well as development statistics from other institutions such as the World Bank and the UN Economic Commission for Latin America and the Caribbean. Additionally challenges faced by each country are reflected in each Mission Performance Plan, which encompasses all activities of USG Agencies working in the country.

Evidence: 1. 12/19/02 Financial Times article by Mark Mulligan "Early signs of recovery in Latin America" 2. LAC Bureau Trends Analysis in Environment as example 3. Budget Justification to Congress, FY2004. (Outlines existing problems and challenges on the regional, sub-regional, and country level.)4. El Salvador Mission Performance Plan (MPP)

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?

Answer: YES   Question Weight: 20%

Explanation: As one of several development entities in a developing host country, and the lead USG foreign assistance entity, USAID coordinates with all of the other in-country USG entities under the aegis of the U.S. Ambassador, as well as the host government and other prominent donors to avoid duplication of assistance efforts and eliminate program redundancies, and promote country program synergies. Preparation of the annual Mission Performance Plan (MPP) is coordinated by the U.S. Embassy and documents all activities of USG agencies that are carried out in that country (see MPPs for Bolivia, El Salvador and El Salvador). Country Team meetings, involving the principals of all USG entities and chaired by the Ambassador are also held on a weekly basis. Further, USAID and other prominent donors, the relevant host Government Office, and implementing partners meet regularly to share development experiences and successes, and maximize assistance outcomes. Finally, through the Global Development Alliance (GDA), LAC leverages private resources for jointly funded programs.

Evidence: 1. Mission Performance Plan (MPP) - Bolivia, El Salvador, and Honduras as examples 2. Donor Collaboration section of the CBJ3. Global Development Alliance (GDA) Guidelines4. GDA initiatives in LAC - as example: Coffee Alliance in LAC with Proctor and Gamble and Technoserve (GDA info available on USAID website)5. Examples of Inter-Agency Agreements with other US Government (USG) entities: a. Federal Trade Commission (Andean Community, September 2002) b. State Department PL 106-246 (Chapare region of Bolivia, August 2001)c. National Oceanic and Atmospheric Administration (Amazon, Brazil March 1999)6. The detailing of staff is reflected in 632, PASA or RSSA arrangements with other USG agencies 7. ADS Sections 201.3.6 and 201.3.7 (pg. 26-38) guides the preparation of Strategic Plans. Section 201.3.9.2 provides specific guidance on donor coordination analysis in the strategic planning phase

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

Answer: YES   Question Weight: 20%

Explanation: ADS 201 details the planning/design process. The LAC Bureau's design process is initiated at the Mission level to ensure that the LAC Missions have strategies that are relevant to the specific country needs and circumstances. Each operating unit (OU) develops a strategic plan that defines and justifies its program (Strategic Objectives), which it seeks to achieve during a set planning period. Strategic plans have a minimum timeframe of five years and a maximum of ten years. USAID requires that Operating Units include Washington customers, USAID partners, host country governments, the donor community, non-governmental organizations (NGOs), individuals from the private sector, and beneficiaries in the host countries participate in the development of strategic plans. As part of the planning process, OUs must undertake various technical and resource analyses, sector assessments, gender and conflict vulnerability analysis, etc. as they develop country strategies. All OU strategies are subject to intensive agency-wide technical reviews and depending on the scope and envisioned funding sources of the activities the participation of other USG agencies is invited. Final agency approval is contingent on the resolution of all technical and policy-related issues and concerns that were raised during the reviews, as well as consistency with the LAC Bureau's stated priorities and U.S. Foreign Policy interests. After the extensive review of the strategy by relevant USAID offices, a management contract is developed between the LAC Bureau and OUs which serves as the basis for approval of the proposed Strategic Plan. The Management Agreement provides a summary of agreements on the OU's program, confirmation of estimated resources over the Strategic Plan timeframe, program start and end dates, and additional guidance on any special management concerns. This contract is reviewed on an annual basis and when needed updated through the annual report process and mid cycle intensive reviews that done every three years.

Evidence: 1. ADS 201 2. Example of Operating Unit (OU) Strategy - Peru Mission/OU (pg. 58-64, Annexes I-III)3. Example of management contract Peru Mission/OU

Program Assessment Rating Tool (PART)

Program:	Development Assistance
Agency:	United States Agency for International Development
Bureau:	Latin America and Caribbean (LAC) Bureau
Type(s):	Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	80%	53%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?**

Answer: YES   Question Weight: 20%

Explanation: Management in the LAC Bureau is decentralized in that individual strategies are developed and implemented by OUs. The LAC Bureau in FY 2003 is providing DA funds for 64 strategic objectives managed by 19 field operating units in 3 sub-regions - Central America, South America, and the Caribbean. Widespread consultation with prominent partners, customers (including beneficiaries), and stakeholders is critical to the conceptualization, design development and implementation of all OUs strategic plans. Consensus regarding the development problem and USAID's comparative advantage to address the problem is reached through consultative meetings, workshops, retreats, surveys, etc. The results of these consultations are integrated into strategic plans and implementation, i.e. results and activities are influenced by feedback from stakeholders. In addition, statutory checklists - Country and Assistance Checklists must be accurately completed and cleared by all relevant offices including the General Counsel, Procurement, and Financial Management to ensure that USAID assistance is targeted at eligible countries and cooperating organizations that are registered with USAID and certified as having adequate financial and administrative systems and controls for receiving USAID funding. USAID is legally restricted from providing assistance to various organizations such as military, police, and drug traffickers. To ensure that services reach the intended beneficiaries, USAID independent evaluations (see 2.6) are conducted to validate program approaches and direction and serve as the basis for any mid-course corrections. USAID monitors assistance received by beneficiaries through evaluating data collected in the performance monitoring plan (PMP) as well as grantee/contractor reports.

Evidence: 1. Example of OU Strategy - Peru Mission/OU2. ADS 201.3.42 3. TIPS4. Country checklist5. ADS 203.3 prohibition to assistance to Drug traffickers6. Evidence of participatory planning: Conducting Service Assessment7. Parks in Peril work plan8. El Salvador PMP 9. TIPS Number 7: Preparing a PMP 10. Also look at evaluation and performance monitoring techniques on the following website http://www.usaidresults.org11. Ecuador FY 2003 Annual Report

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: NO   Question Weight: 12%

Explanation: Due to USAID's decentralized administration of geographic programs, the LAC Bureau does not have quantifiable, long-term measures or common indicators for the LAC region. There are sectoral trend analyses conducted on an annual basis which reveal regional trends. However, long term performance measures are done at the OU level. Each OU-level program has a limited number of Strategic Objectives (SOs) with long-term indicators and targets which measure program results- typically one to three indicators per SO. The OUs also develop and monitor a defined set of performance indicators for each of its activities within its programs (SOs). These indicators are tracked via a performance monitoring plan (PMP). The PMP contributes to the effectiveness of the performance monitoring system by ensuring that comparable data is collected on a regular and timely basis The indicators are reviewed on an annual basis by each OU and this information is shared through the annual report process with USAID relevant offices in Washington. This comprehensive review process allows OUs to monitor its progress towards achieving goals laid out in their strategic plan. OU-level programs are designed to support the overall Bureau and Agency goals. The LAC Bureau is working towards regional goals, with corresponding regional indicators.

Evidence: 1. Agency Guidance on Performance Management - specifically ADS 203.2 through 203.3.52. Example of an OU Strategy - Peru Mission Strategy3. Example of an OU Performance Management Plan (PMP) - El Salvador Mission4. Example of linkage with Bureau and Agency goals - USAID Strategic Plan Revised5. Ecuador FY 2003 Annual Report

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight: 12%

Explanation: OUs are delegated the authority to define targets and timeframes for their respective Strategic Objectives (SO). The OU's Performance Management Plan (PMP) details targets by SO over the life of program which is typically five years. The LAC Bureau and relevant USAID/W technical offices reviews targets at the SO level during the strategy review and approval process. If adjustments are required, the OUs will discuss these changes in their annual reports or through correspondence to the LAC Bureau. Activity level indicators (intermediate results) which are also part of the performance monitoring plan (PMP) are developed by the OU/Mission, and changes in these indicators do not require USAID/W approval. The PMP provides baseline data and is tracked annually. OUs are also responsible for data quality assessments to determine the measures validity, reliability, timeliness, precision, and integrity.

Evidence: 1. OU level indicators - El Salvador PMP as example. 2. Changes to indicators- PMP for El Salvador SO 519-004 3. ADS 203.334. IG Audit of Data Quality for USAID/Guyana's Results Review and Resource Request5. IG report Data Quality for USAID/Panama SO for Canal Watershed Management

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: NO Question Weight: 12%

Explanation: The LAC Bureau does not have common indicators at the region level for the DA program. However, at the OU/country level, the PMP has a limited number of indicators by SO -typically 1-3 per SO. The PMPs are, in large part, based on grantee and contractor information. All partners regularly report on their performance. LAC OUs review these performance reports, monitor and verify information in the field and via other sources. To the extent that PMP targets are being met or exceeded, partners are likewise achieving their targets and goals.

Evidence: 1. OU level indicators - El Salvador PMP as example

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: NO Question Weight: 12%

Explanation: At the OU level, missions prepare performance management plans (PMPs), based on country strategies approved by the Bureau. These PMPs include baseline figures and annual targets for each SO for the duration of the strategy period. Within each SO, there are lower-level intermediate results that are incremental and contribute to the achievement of long-term strategic objective. The LAC Bureau is moving towards sub-regional programs, outcomes, and measures - e.g. the new Central America and Mexico regional strategy.

Evidence: 1.ADS 203.2, 203.3, 203.4 and 203.5 provides guidance on performance monitoring plans, performance monitoring, selecting performance indicators, and data quality 2. El Salvador PMP as example

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: NO

Question Weight: 12%

Explanation: At the OU/Mission level, all partners commit to and work towards long term goals of the OU/Mission. This is reflected in the work plans of Grantees/Contractors as well as in the Strategic Objective Agreement (SOAG) between USAID and the Host government. Solicitation documents for contractors and grantees such as Request for Proposals (RFP), Request for Applications (RFA) incorporate SO or program objectives. As such, respondents to the RFP or RFA need to show in their proposals how they contribute to the achievement of LAC Mission strategic objectives. The extent to which they would be able to achieve these shared objectives and goals is incorporated in the technical merit criterion of the selection criteria. Grants and Contract agreements incorporate or reflect these shared commitments to common goals, typically in the scope of work section. These commitments are likewise reflected in Contractors and Grantees annual work plans. By the terms and conditions of their agreements, contractors and grantees provide quarterly progress reports to OUs that document their results to date. USAID managers verify information in these reports through monitoring, site visits, and meetings. The information in the OU's PMP includes results reported and verified from contractors and grantees.

Evidence: 1. ADS 350 guidance on SOAGs2. Sample SOAG3. ADS 300 guidance on assistance and acquisition4. Work plan of Parks in Peril5. RFA for Guatemala Income Generation

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES

Question Weight: 12%

Explanation: Evaluations are typically done on an SO Level, involving a specific program or activity in a specific country. Evaluations can be internal, external, collaborative or participatory, and are generally done by entities outside of the LAC Bureau such as independent private firms not directly associated with the activity or program, the Inspector General Office, or USAID's Center for Development Information and Evaluation (CDIE). Evaluations are intended to look at results achieved vs. targets/goals, program impact and effectiveness, lessons learned, among others. In the past five years, approximately 200 evaluations have been conducted for the LAC Bureau's programs. Mid-term, evaluation recommendations are used to introduce any course corrections and final evaluations are used to determine Bureau decisions on any further assistance to that technical sector. Situations that require evaluations include: input to inform a key management decision; performance data that indicate an unexpected result or finding which cannot be readily explained and therefore, need further analysis, customer or partner feedback that suggest there are implementation problems or unmet needs; the need to re-examine program sustainability; cost-effectiveness or relevance; and to identify lessons learned. One example of this is the July 2001 audit by the Inspector General Office to determine if USAID/Nicaragua's Water and Sanitation activities were on target. The audit concluded that the activities were on target with the exception of the construction of sewage pits. The Mission was advised to construct these pits or reprogram the money.

Evidence: 1. LAC list of evaluations, as compiled by CDIE2. ADS 203.3.6 provides Agency guidance on evaluations3. IG Audit of USAID/Nicaragua's Water and Sanitation Project July 25,2001

Program:	Development Assistance
Agency:	United States Agency for International Development
Bureau:	Latin America and Caribbean (LAC) Bureau
Type(s):	Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	80%	53%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO Question Weight: 12%

Explanation: N/A to LAC region at this point (see 2.1). Each OU reviews (typically on a semi-annual basis) its performance vis-à-vis approved strategies. OUs prepare an Annual Report (AR) that summarizes program progress by Strategic Objective, documenting whether targets were met, reviews the financial status by Strategic Objective, and planned resource requirements. The LAC Bureau leads a comprehensive review of all OU ARs, which may include other relevant Washington Offices such as Pillar Bureaus. Informed by the review findings and recommendations and taking other factors into consideration such as country need and commitment, foreign policy considerations and administration priorities, and sector focus, the LAC Bureau decides on resource levels for each OU and rolls up the information for determining the aggregate Bureau Program and Budget Submission (BPBS). In terms of transparency, the CBJ presents in a succinct and transparent manner all the SOs by country, their progress to date, and the OU's requested funding levels by SO. That these requested levels are not always satisfied is directly attributed to the findings of the Washington reviews as well as funds availability and Congressional appropriation levels.

Evidence: 1. OU Annual Report (AR) - Guatemala as example 2. LAC review of AR - Guatemala as example 3. FY 2005 Bureau Program and Budget Submission (BPBS), and guidance issued by the Agency's Policy and Program Coordination (PPC) Office 4. Congressional Budget Justification (CBJ)

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?**

Answer: YES Question Weight: 12%

Explanation: LAC conducts Intensive Reviews of OU strategies at least once every three years. This is a mechanism used by the LAC Bureau to redirect strategy when on-the-ground reality evolves in a different direction. After the review a management cable is sent to the OU outlining the results of the reviews. The annual report process serves to verify that corrected actions have been taken. The LAC Bureau is also moving towards strategies at the sub-regional level (starting with Central America and Mexico) to better build common ground, enhance regional cooperation and development and achieve greater program synergy, and take advantage of management efficiencies at the sub- regional (versus country) level.

Evidence: 1. LAC Timeline for Mission Program/Strategy Reviews2. Intensive Review memos - Jamaica and Haiti as samples3. AFranco-PCronin Memo re Central America and Mexico Regional Strategy4. Example of management contract- Approval of Dominican Republic Strategy

Program: Development Assistance
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	80%	53%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES Question Weight: 10%

Explanation: Funding recipients are required to manage, monitor, and report performance information on a regular basis. This information is submitted to OUs on a quarterly basis and feed into the AR and PMP. OUs indicate in the Annual Report whether targets for DA funded programs are met or exceeded. The LAC Bureau, in turn, reviews OU performance via the AR review process. When targets are not met, various options may be considered depending on the specific circumstances and issues involved: the contract or grant agreement may be modified, additional funds may be delayed or not provided, management changes may be introduced, discussions may take place with other partners (other donors or host-country) regarding their commitment, etc. The AR review process in turn feeds into Bureau decisions about programming, budgeting, and staffing, among others.

Evidence: 1. Operating Unit Annual Report (AR) with Guatemala AR as sample2. LAC Bureau review of Guatemala AR3. Operating Unit Performance Management Plan (PMP) with Ecuador as sample 4. USAID's ADS 202.3.6, which includes the following topics: Assessing Performance of Contractors and Recipients; Using Customer Feedback; Making Necessary Adjustments5. USAID adherence to 22 CRR 226, "Administration of Assistance Awards to US Non-governmental organizations," section 226.51, "Monitoring and reporting program performance"

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 10%

Explanation: A cognizant technical officer (CTO) is designated for each LAC activity to manage contractors and grantees. CTO responsibilities include, among others, the technical review and approval of vouchers, monitoring contractor/grantee performance and financial status, and overseeing sub-agreements. In addition, under USAID's personnel evaluation process, CTOs are evaluated for effective management of agreements, including the quality of technical guidance provided to contractors and grantees. Performance-based contracts are used to focus contractors on the achievement of program results. Contracts, grants and cooperative agreements contain clauses related to periodic progress/performance and financial reporting which are used to monitor activities. Past performance of contractors is considered in accordance with Federal Acquisition Requirements (FAR). A Request for Proposal for the Dominican Republic for their Environmental Protection Program clearly specifies that program partners make the link between the OU's desired results and their project plans. Performance is also one of the factors taken into account in making funding decisions. Pipelines factor into budget decisions.

Evidence: 1. Sample Request for Proposal: Dominican Republic RFP # 517-03-011 pg. 10 2. CTO responsibilities as defined in ADS 300

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 10%

Explanation: Obligations, among other financial data, are tracked via Phoenix, an Agency wide accounting system. In FY 2002, the LAC Bureau had a very small amount (2.4%) of carry-over unobligated DA funds vs. funds made available. Once the funds are obligated, the OUs and the LAC Bureau monitor disbursements over the life of the program. Based on LAC Bureau's analysis, an OU's program may not receive its subsequent budget allowances if it is determined that an unacceptable level of funds are still unspent. A program can only have unspent funds sufficient to cover expected disbursements for the next 12-18 months. Finally, all OUs are required to prepare procurement plans that outline planned procurements and obligations and help ensure that funds are spent in a timely manner and for the intended purpose.

Evidence: 1. Phoenix Flash Report2. CBJ3. ADS 602, on the Forward Funding Policy for Program Funds4. Example of procurement plan, LAC Regional

Program: Development Assistance
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	80%	53%	

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES Question Weight: 10%

Explanation: LAC Bureau adheres to Federal regulations on competition. Mission management assessments (MMAs) recently undertaken by the LAC Bureau provide a systematic and comprehensive view of the Bureau's overseas OUs as a basis for defining ways to improve Bureau operations and to help rationalize the allocation of scarce staff and operating expense (OE) resources. The results of the Mexico, Guatemala, Honduras and Nicaragua MMAs were taken into account during the development of the Central America and Mexico Regional strategy. Building upon favorable experience with regional hubs for service support, the Bureau has agreed to move toward one regional platform over time in Central America, which will be located in El Salvador. Consolidation of accounting functions in the Caribbean missions resulted in the reduction of 5 positions and an annual cost reduction of approximately $60,000 in OE. The upgrade in WARP (Wide Area Renovation Plan) communications capability throughout the LAC region, coupled with VPN (Virtual Private Network) technology, has facilitated secure and extremely rapid transmission of raw accounting and payment information from the serviced post to the regional center and back to the serviced post in the form of usable, almost real-time accounting information. As a result, El Salvador does payment certification functions for Guatemala resulting in the reduction of one position and savings of $70,000.

Evidence: 1. ADS 300 provides the overall guidance on procurement including competitive procurements (ADS 302 for Contracts and 303 for Grants). USAID adheres to FAR for contract and to relevant CFR provisions and OMB Circulars for grants2. LAC FY 2005 BPBS (pg. 26-29 for Management Improvements/Operational Efficiencies)

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: YES Question Weight: 10%

Explanation: State and USAID have joint goals at the Department/Agency level via the Joint State-USAID Strategic Plan and at the country level via the MPP. In addition, the LAC Bureau and its OUs collaborate and coordinate with related programs in a leadership or participant role through a variety of mechanisms: close working collaboration with State counterparts at the Bureau and country levels; memo of understanding with other Federal Agencies; 632, PASA or RSSA arrangements with other USG agencies; InterAgency working groups such as with the US Trade Representative on CAFTA issues; Consultative Group with other donor agencies. Finally, the Bureau actively seeks public-private partner alliances in common development areas. Once these relationships are established they are continued evaluated and monitored through the annual program review process.

Evidence: 1. State-USAID Strategic Plan2. Examples of MPP - El Salvador, Honduras and Bolivia3. Examples of 632 arrangements: Federal Trade Commission (Andean Community, September 2002), State Department PL 106-246 (Chapare region of Bolivia, August 2001), National Oceanic and Atmospheric Administration (Amazon, Brazil March 1999)4. Example of public-private partner alliance via GDA: LAC Coffee Alliance with Proctor and Gamble and TechnoServe (GDA info available on USAID website)

Program: Development Assistance
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	80%	53%	

3.6 **Does the program use strong financial management practices?** Answer: NO Question Weight: 10%

Explanation: Through the FMFIA/Management Control Review Committee (MCRC) process, USAID ensures that resources are protected against fraud, waste and abuse and that they achieve the results for which funds were appropriated. The process requires each OU in the LAC Bureau to do a self-assessment of the adequacy of management controls in all areas of agency operations including program, administrative, and financial management. Each OU submits an annual FMFIA memo to the LAC Bureau, which in turn submits a Bureau memo to the USAID Administrator. LAC grants and contractors are also subject to audits. (See 2.6) Currently, the Phoenix system is used for Washington accounting and the MACS system for field accounting. It is anticipated that a first pilot Mission (possibly USAID/Peru) may begin Phoenix operation in mid-FY 2004, in order to integrate financial accounting systems. Other pilot Missions will follow a few months later depending on the success of the first pilot.

Evidence: 1. Federal Manager's Financial Integrity Act (FMFIA) checklist2. OU completed FMFIA analysis- with Ecuador as example3. LAC Bureau FMFIA memo to USAID Administrator dated October 29, 20024. Report on Material Weaknesses - Guyana and Ecuador as examples5. Agency wide guidelines for Recipient-contracted audits (RCA)6. The Agency's ADS 620 chapter provides the overarching accounting and financial reporting principles and standards for the Agency. ADS 596 provides Agency guidance regarding the accountability and effectiveness of USAID's programs and operations by establishing, assessing, correcting, and reporting on management controls. These ADS chapters are based on regulations issued by Federal oversight agencies, including OMB, Treasury and GAO

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 10%

Explanation: At the OU level, LAC missions address deficiencies or weaknesses that could appropriately be resolved at that level. The FMFIA process requires each OU to self-assess the adequacy of management controls in all areas of agency operations including management of program assistance. (See 3.6.) Any significant deficiency or material weakness is reported to the LAC Bureau and included in the Bureau FMFIA memo to the Administrator. In 2002, missions were also specifically requested to complete an information system security checklist, as part of the FMFIA process. The LAC Bureau has also recently undertaken management assessments of its OUs. Six assessments have been completed since May 2002. The results of the Mexico, Guatemala, Honduras and Nicaragua management assessments were taken into account during the development of the Central America and Mexico (CAM) Regional strategy. In particular, the assessments have helped define ways to improve Bureau operations such as consolidating accounting functions in regional hubs, resulting in significant savings. As a result of this, the El Salvador Mission is poised to provide regional support services for a number of missions in the region.

Evidence: 1. ADS 620, FMFIA checklist2. OU completed FMFIA analysis- with Ecuador as sample3. LAC Bureau FMFIA memo to USAID Administrator dated October 29, 20024. Report on Material Weaknesses - Guyana and Ecuador as samples5. BPBS pg. 26 management improvements

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?** Answer: NO Question Weight: 10%

Explanation: LAC contracts and grants are awarded competitively except where supported by documentation approved by officials with authority to approve non-competitive awards. In FY 2002, $78.8 million of new assistance IN LAC were awarded competitively, out of a total of $104.7 million (about 75%). Decisions on grant and contract awards are properly documented (via selection memos, memos of negotiation, etc.) USAID Washington (via the Office of Procurement) reviews and provides oversight to ensure LAC adherence to Federal regulations and Agency guidance on competition.

Evidence: 1. ADS 3002. ADS 202.3.93. LAC adheres to federal regulations on competition. These regulations are incorporated in grant and contract agreement

Program Assessment Rating Tool (PART)

Program:	Development Assistance
Agency:	United States Agency for International Development
Bureau:	Latin America and Caribbean (LAC) Bureau
Type(s):	Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Results Not Demonstrated
100%	25%	80%	53%	

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 10%

Explanation: A cognizant technical officer (CTO) is designated for each program to manage contractors and grantees. CTO responsibilities include, among others, technical review and approval of vouchers, monitoring contractor/grantee performance and financial pipelines, and overseeing sub-awards. The Agency recently re-established a training program to certify CTOs responsible for managing contracts and grants. The courses are designed to provide CTOs with the basic skills and knowledge to effectively carry out their role of a CTO. The Activity Manager and the SO Team Leader, who may or may not be the CTOs, also provide oversight. The Agency also ofers a course for CTO supervisors to enable them to more effectively provide on-the-job training and to better monitor and evaluate the performance of a CTO. In addition, mission management is kept informed of program performance, progress, and issues via periodic portfolio reviews, staff meetings, etc. The LAC Bureau, in turn, is informed via the AR process. The OU Agreement Officer is the mandatory control point of record for all official communications and contacts with the recipient that may affect the award budget, the program description or any terms and conditions of the award. A-133 or recipient-contracted audits are also conducted as required by policy or regulation.

Evidence: 1. Cognizant Technical Officer (CTO) responsibilities as provided in ADS 303.3 for Grants and ADS 302.3 for Contracts2. Recipient-Contracted Audit guidelines3. Course Description for CTO Certification Program

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 10%

Explanation: Disclosure to the public in done in a number of different ways. The USAID FY 2002 Performance and Accountability Report discloses to the public program information at the Agency level. The CBJ (available on the USAID web site) provides specific information to the public on LAC programs including information on SO performance and results, by OU. The CBJ also indicates the various grantees and contractors working in the different SOs. CDIE, via the Development Experience Clearinghouse (DEC), makes some evaluations of specific programs available to the public via a website.

Evidence: 1. USAID FY 2002 Performance and Accountability Report2. CBJ3. Program/Activity evaluations

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: NO Question Weight: 20%

Explanation: At the region-wide level for the DA program, the LAC Bureau does not have specific long-term measures nor common indicators. With very few exceptions, OUs at the country level report verified data that targets are met or exceeded. LAC is working on developing subregional strategies (such as the Central America and Mexico strategy) in which regional indicators will be developed.

Evidence: 1. Examples of PMP and Annual Report: El Salvador PMP, Guatemala AR

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: NO Question Weight: 20%

Explanation: At the region-wide level for the DA program, the LAC Bureau does not have specific annual measures or common indicators. With very few exceptions, OUs at the country level report verified data that targets are met or exceeded.

Evidence: 1. Examples of PMP and Annual Report: El Salvador PMP, Guatemala AR

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: LARGE EXTENT   Question Weight: 20%

Explanation: Improvements in technology and consolidation of accounting functions have resulted in major savings. In the Caribbean, results include 5 less staff positions and an annual OE cost reduction of approximately $60,000 in OE. In Guatemala, a reduction of one position meant savings of $70,000 as El Salvador (already poised as a regional support center) assumed payment certification functions. The mission management assessments (MMAs) conducted by LAC since May 2002 provide a systematic and comprehensive view of the Bureau's overseas OUs as a basis for defining ways to improve Bureau operations and to help rationalize the allocation of scarce staff and operating expense resources. The results of the Mexico, Guatemala, Honduras and Nicaragua MMAs have already been taken into account during the development of the Central America and Mexico Regional strategy.

Evidence: 1. CTO responsibilities as provided in ADS 303.3 for Grants and ADS 302.3 for Contracts2. Guyana and Ecuador FMFIA reports3. LAC Bureau's FMFIA memo dated October 29, 2002. 4. Bureau Program and Budget Submission (BPBS)

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: YES   Question Weight: 20%

Explanation: Because of its field presence and more flexible programming, USAID is often cited by other donors and host governments for its ability to respond quickly, not just in disasters, and for its leadership of country program coordination with other donors. Its programs have been cited favorably by other USG agencies collaborating with USAID. In addition, USAID's assistance in addressing the coffee crisis in LAC and immediate response to disaster situations has been noted by the independent press and industry leaders.

Evidence: 1. April 24, 2003 letter from Asst. US Trade Representative for Intergovernmental Affairs and Public Liaison Christopher Padilla to USAID G-CAP Deputy Director regarding CAFTA (Central America Free Trade Agreement) 2. Press releases from:a. Washington Post Foreign Service on USAID earthquake reconstruction assistance in El Salvadorb. Tea and Coffee Trade Journal on USAID assistance for coffee growers

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: YES   Question Weight: 20%

Explanation: Independent evaluation have been conducted at the OU/Mission level for sector specific or strategic objectives. These evaluations are done by independent consultants, IG or GAO and are of sufficient scope and quality to determine that LAC Mission programs are accomplishing or have achieved their goals.

Evidence: 1. LAC list of evaluations, as compiled by CDIE. 2. USAID's Approach to Poverty Reduction - The Case of Honduras Do http://cdie.usaid.gov/pdf_docs/PNACR351.pdf

PART Performance Measurements

Program: Development Assistance

Agency: United States Agency for International Development

Bureau: Latin America and Caribbean (LAC) Bureau

Measure: Measure Under Development

Additional Information:

Year	Target	Actual	**Measure Term:** Long-term

Measure: Measure Under Development

Additional Information:

Year	Target	Actual	**Measure Term:** Annual

Program Assessment Rating Tool (PART)

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	75%	80%	73%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: OTI's Mission Statement is: "OTI's mission is to help local partners advance peace and democracy in priority conflict-prone countries. Seizing critical windows of opportunity, USAID works on the ground to provide fast, flexible, short-term assistance targeted at key transition needs."

Evidence: OTI website: http://www.usaid.gov/our_work/humanitarian_assistance/transition_assistance; and 2001-2002 Report.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 20%

Explanation: OTI was created in 1994 as a new tool to address the increasing number of complex crises that have appeared since the end of the cold war. OTI addresses these challenges by bridging the gap between traditional immediate-term relief and longer term development assistance.

Evidence: According to "Foreign Aid in the National Interest," there were 111 armed conflicts in 74 locations during the 1990's.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight: 20%

Explanation: OTI is uniquely designed to provide fast, flexible, short-term assistance to conflict-prone countries. OTI 's work is distinct from that of the Office of Foreign Disaster Assistance (OFDA) because OTI focuses on key political transition needs, and its work is distinct from traditional development programs because of its short-term, transitional focus.

Evidence: OTI was established in 1994 to fill the gap between short-term relief assistance and longer-term development assistance, a gap that was not been being adequately addressed.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: For each country program, OTI prepares a detailed assessment that identifies the problem(s) being addressed, U.S. national interest, program areas and required budget. OTI has created an innovative contracting mechanism that allows it to support a range of short-term initiatives, quickly and efficiently. OTI revises/updates country strategic plans at least once a year in order to address new problems or unforeseen issues.

Evidence: New Country Assessment Guide, Checklist for New Country Assessments, Guide to Performance Management. SWIFT (Support with Implementing Fast Transition) Indefinite Quantity Contract (IQC) - competitive selection process, Congressional Budget Justification, OTI Database, Country Budget Estimates, Country Monitoring and Evaluation Quarterly Reports

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight: 20%

Explanation: OTI programs are individually designed to address a country's most pressing transitional needs, focusing attention on make or break issues that may decide a country's future. In developing its programs, regular consultations with local partners and experts and close monitoring ensure that funds are reaching the targeted beneficiaries.

Evidence: OTI Annual Report, Guide to Performance Management, New Country Assessment Guide, Checklist for New Country Assessments, Country evaluations and monitoring reports, OTI data base.

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	75%	80%	73%	

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 12%

Explanation: OTI has recently developed two long-term performance measures, and OTI is working to develop a comprehensive long-term measure that will demonstrate OTI's post-close out impact in conflict prevention.

Evidence: See proposed measures.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: NO Question Weight: 12%

Explanation: OTI is working to establish ambitious targets and timeframes for its long-term measures.

Evidence: Under development.

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 12%

Explanation: OTI has recently developed two annual performance measures that support the achievement of its goals.

Evidence: See proposed measures.

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: NO Question Weight: 12%

Explanation: OTI is in the process of establishing baselines, and ambitious targets for its annual measures.

Evidence: Under development.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 12%

Explanation: OTI has developed an innovative small grants mechanism in which a range of partners have been pre-competed because of their demonstrated expertise in working on transitions in difficult operating environments. OTI's sub-grantees are selected because of their commitment to work on activities in support of the overall program objectives. All sub-grantees sign agreements that outline costs and responsibilities. Close monitoring by OTI staff ensure that programs are working towards meeting OTI's objectives. Strategic plans and program objectives are jointly agreed to by contractors and grantees.

Evidence: OTI web site, http://www.usaid.gov/our_work/humanitarian_assistance/transition_assistance/ (contains a section on highlights from the field (hot topics)), monthly reports from the field, final and mid-term evaluations, OTI 2001-2002 Report, SWIFT IQC. OTI holds strategic planning sessions with grantees/contractors to finalize country strategic plans.

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?

Answer: YES Question Weight: 12%

Explanation: OTI conducts independent evaluations through independent consultants and contractors near the end of each country program to evaluate the program's effectiveness, identify lessons learned, and make recommendations for future programs. In addition to independent evaluations which OTI conracts for at the end of all of its country programs, USAID's Clearinghouse of Development Information and Exchange (CDIE) has also evaluated a number of OTI's programs using external contractors. OTI is currently working on improving its program evaluation process.

Evidence: OTI website: http://www.usaid.gov/hum_response/oti/pubs.html. OTI Final Evaluation Protocol (work in progress)

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?

Answer: YES Question Weight: 12%

Explanation: While OTI has just developed its annual and long-term measures, its annual congressional budget justification ties its resource needs to its assessment of current programs and clearly breaks out OTI's funding requests and estimates by country. OTI reviews the progress, budget, and operations support of its on-going programs on a quarterly basis. Before intervening in a new country OTI uses set criteria to determine whether a new country program would be worthwhile. These new country assessments include budget estimates.

Evidence: USAID Budget Justification to the Congress FY 2004

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies?

Answer: YES Question Weight: 12%

Explanation: OTI has adopted or is working to adopt long-term and annual performance goals, as well as baselines, targets, and timeframes. OTI develops a set of lessons learned and best practices from its monitoring and evaluation processes and uses these to improve and strengthen its programs. OTI's Annual retreats are used to identify strategic planning and management weaknesses and recommend corrective actions.

Evidence: See proposed measures. Guide to Performance Management, Guide to Program Options in Conflict-Prone Settings, OTI's Annual reports, Final Evaluations. Strategic Plan - Strategic Principles

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?

Answer: YES Question Weight: 10%

Explanation: OTI develops a performance monitoring plan for each country program and establishes baseline data. OTI field staff routinely monitor programs and gather data from implementing partners. OTI holds semi-annual strategic planning sessions with its staff and implementing partners to revise/update the strategy and make necessary adjustments. OTI's grants database allows Washington staff to check a program's progress and create a variety of standardized reports.

Evidence: OTI has revised/updated country strategies to respond to changing situations/new opportunities (e.g., Burundi & DRC). OTI meets with implementing partners on a regular basis to discuss strategic and management issues and to make changes as appropriate. Lessons learned from evaluations are disseminated to all OTI staff and included on the OTI website. OTI annual report identifies problems encountered and changes made.

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	75%	80%	73%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 10%

Explanation: OTI appoints a cognizant technical officer (CTO) for each program to manage contractors/grantees (i.e. review/approve vouchers, financial pipelines, sub-grants, etc.) Contractors/grantees are routinely audited and are registered with USAID.

Evidence: OTI staff prepare annual contractor performance reports (CPRs) that identify both strengths and weaknesses. These are used in reviewing/rating new contract proposals. CTO's and Office of Procurement staff conduct contractor reviews on a regular basis.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 10%

Explanation: OTI's innovative contracting mechanism, SWIFT, allows it to obligates funds in a timely manner. OTI incrementally funds programs to hold contractors/grantees accountable. OTI prepares and updates monthly, quarterly and annually a procurement plan to schedule all procurements and obligations and ensure that funds are being spent for their intended purpose.

Evidence: OTI financial reports and budget tables, SWIFT IQC. OTI procurement planning documents and the database are accessible on every OTI computer and are updated on a regular basis.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES Question Weight: 10%

Explanation: OTI uses an innovative contracting mechanism where a range of partners have been pre-competed because of expertise in working on transitions in difficult operating environments. All sub-grantees sign agreements that outline costs and responsibilities. In-kind grants are provided when sub-grantees do not have approved financial management systems. OTI leverages funds from other sources/donors to improve cost efficiencies (e.g., Afghanistan, Indonesia, and Macedonia) OTI country representatives are given the authority to approve sub-grants up to $100,000 in the field. Larger amounts must be approved at the USAID Washington offices.

Evidence: OTI's new SWIFT II mechanism is now at the Office of Procurement for final selection and negotiation with implementing partners. New requirements call for all contractors to have a grants under contracts manual in place and approved by OP before any small grants can be funded. OTI database tracks leveraged funds from other donors/sources.

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: NO Question Weight: 10%

Explanation: During design and implementation, OTI routinely coordinates with the USAID Mission and Embassy as well as USAID's Washington staff. However, there is room for increased cooperation between OTI and the State Department's Bureau of Democracy, Human Rights and Labor, whose Human Rights and Democracy Fund programs could complement OTI's programs, particularly in the advancement of democracy. Friction with U.S. Embassies and USAID missions at the beginning stages of a new country program has sometimes hurt the success of some OTI programs. However, OTI has made significant progress in improving cooperation with USAID missions and Embassies during the design and implementation of its new country programs. OTI is also establishing closer linkages with DCHA/DG and DCHA/CMM in strategic planning.

Evidence: Guide to Performance Management, Country Final Evaluations, CDIE Country Evaluations. MOUs with USAID Missions..

Program Assessment Rating Tool (PART)

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	75%	80%	73%	

3.6 **Does the program use strong financial management practices?** Answer: NO Question Weight: 10%

Explanation: While USAID has not deployed the new accounting system to its overseas Missions, OTI programs are managed in Washington and are therefore linked into the Phoenix system. However, the Phoenix system is not yet compliant with federal financial management system requirements. Program managers carefully review payment vouchers submitted by contractors. Contracts must submit financial pipelines prior to receiving incremental funding. OTI's contracts are routinely audited after they are closed out. SWIFT II contractors now required to have an approved Grants under Contracts manual in place prior to disbursing any funds to local partners to ensure financial management capacity.

Evidence: OTI budget reports on accruals and disbursements. OTI budget database, country program budgets. SWIFT II Request for Proposal

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 10%

Explanation: Through on-the-ground fiel monitoring, mid-term evaluations, performance monitoring plans, and regular meetings with implementing partners, OTI makes necessary changes to address any management deficiencies.

Evidence: OTI staff prepare written correspondence to implementing partners when specific action/changes are necessary to address management issues (e.g., Afghanistan and Burundi). OTI has held after-action (post-closeout) reviews with contractors to discuss overall performance (e.g., Serbia).

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?** Answer: YES Question Weight: 10%

Explanation: The majority of OTI's programs are awarded competitively under its Support Which Implements Fast Transition (SWIFT) contracting mechanism. SWIFT partners have been pre-competed and only those with proven track records in complex emergencies are considered.

Evidence: Depending on the nature of the program, a country program may fund 200 or more sub-grants annually. Sub-grantees that have performed well as are often provided with additional sub-grants as appropriate. OTI has 4 SWIFT partners (contract ends on September 30, 2003), and OTI anticipates that it will have 6-7 SWIFT II partners (estimated award date is August 2003).

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 10%

Explanation: OTI prepares a performance monitoring plan and maintains a data base of all sub-grants. Sub-grantees must sign agreements with our implementing partners and OTI field staff must clear. These agreements identify purpose of grant, inputs and outputs, timeframe, etc. Database includes info on each sub-grant, including type, location, budget, sector focus, etc.

Evidence: Country level PMPs. County data bases (updated every 2 to 4 weeks by the field). Country level monthly reports (on website)

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 10%

Explanation: OTI prepares monthly reports on its programs and maintains a database on all sub-grants. OTI maintains a website which provides monthly reports, hot topics and other relevant information on program activities.

Evidence: OTI website: www.usaid.gov.hum_response/OTI/

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	75%	80%	73%	

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?

Answer: SMALL EXTENT — Question Weight: 20%

Explanation: While independent evaluations show that OTI has made progress in achieving its long term performance goals on an individual country level, OTI is working to develop performance targets to better measure progress towards these goals.

Evidence: OTI country evaluations, OTI 2001-2002 Report, Annual Report, 1999 Results Review

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: SMALL EXTENT — Question Weight: 20%

Explanation: OTI has recently developed two annual performance measures that support the achievement of its goals in order to better measure its success. OTI is in the process of establishing baselines, and ambitious targets for its annual measures.

Evidence: See proposed measures.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: YES — Question Weight: 20%

Explanation: OTI has part-time consultants/contractors that are on call to fill OTI's short term staffing gaps. A newly awarded Program Development Quickly (PDQ) IQC enables OTI to efficiently contract for range of short term services, such as strategic planning, assessments, evaluations, training, document preparation, etc. A new SWIFT II IQC to be awarded in FY 2003 expands the pool of pre-competed partners with the necessary expertise to implement a wide range of activities in the difficult operating environments where OTI manages programs.

Evidence: The new Program Development Quickly (PDQ) contracting mechanism and the new SWIFT II contracting mechanism are examples of significant improvements to OTI's operating efficiency and cost effectiveness. Use of part-time, on call senior field advisors also provide surge capacity. OTI's goal over the life of a program is to have 70% of program funds go to grants/sub-grants and 30% of program funds go to non-grant costs (local staff, field operations, and headquarter costs/overhead).

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: YES — Question Weight: 20%

Explanation: OTI receives very favorable remarks from organizations and think tanks who prepare reports/analyses on the type of work that OTI does with political transitions in conflict-prone areas. Although the State Department and other USAID Bureaus carry out similar programs, OTI is unique in its ability to quickly implement their programs in difficult working environments.

Evidence: Quotes from International Crisis Group, U.S. Institute for Peace, journalists. Quotes from National Security Studies Quarterly (Summer 2001), Foreign Affairs Journal (July.Aug 2001), The Harvard International Review (Fall 2000). Quotes from OTI 2001-2002 Report, 1999 Results Review.

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	75%	80%	73%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: YES

Question Weight: 20%

Explanation: Final country evaluations have generally indicated that OTI programs have been effective in achieving significant measurable results and making a considerable impact in improving political and security conditions in conflict-pone areas. CDIE conducted an evaluation of USAID's experience with transitions, and four OTI programs were examined (East Timor, Nigeria, Kosovo, and Indonesia). OTI is currently working to standardize its evaluation process with a new Evaluation Protocol.

Evidence: Final country evaluations, CDIE evaluation reports. (See OTI website, Publications list), OTI Final Evaluation Protocol (work in progress). The main finding of the CDIE evaluation on USAID's experience with transitions was that OTI programs had a positiobe impact in East Timor, Nigeria. Kosovo, and Indonesia.

PART Performance Measurements

Program: Office of Transition Initiatives

Agency: United States Agency for International Development

Bureau: Democracy, Conflict and Humanitarian Assistance

Measure: Percentage of OTI programs that demonstrate increased access to unbiased information by target population on key transition issues.

Additional Information: This outcome measure tracks OTI's success at ensuring that target populations have access to unbiased information that helps them make informed decisions and facilitates the transition process.

Year	Target	Actual	**Measure Term:** Annual

Measure: Percentage of OTI programs that have a sustainable handoff strategy (either to USAID Mission or local civil society groups) in place after 18 months of starting up a new country program.

Additional Information: This outcome measure assesses OTI's success rate in arranging for a successful closeout/handoff to ensure longer term impact through collaboration with local partners and USAID Mission, international PVOs/UNOs or other donors.

Year	Target	Actual	**Measure Term:** Long-term

Measure: Percentage of final evaluations that find that OTI made significant impact in strengthening democratic institutions/participatory processes or increasing momentum for peaceful resolution of conflict (depends on main objective of specific country program)

Additional Information: This outcome measure tracks OTI's success at achieving its overall goal of advancing democratic political transitions in priority conflict-prone countries.

Year	Target	Actual	**Measure Term:** Long-term

Measure: Percentage of target population assisted or engaged in participatory initiatives.

Additional Information: This outcome measures OTI's success at engaging communities and groups in participatory processes that support the overall transition.

Year	Target	Actual	**Measure Term:** Annual

Program Assessment Rating Tool (PART)

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau:
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

1.1 Is the program purpose clear? Answer: Yes Question Weight: 20%

Explanation: The program purpose is clear. USAID's goal is to increase the impact of food aid in reducing hunger and food insecurity. The legislation governing Title II, the Food Aid and Food Security Policy Paper and the FY 1997-2001 Strategic Plan are key documents clarifying the program purpose. The Strategic Objective (SO) of Title II emergency food aid is to "meet critical food needs of targeted groups." The purpose of the Title II development (non-emergency) food aid program is to increase food security for vulnerable populations. This has been translated into the process-oriented SO of Title II development food aid to Increase the effectiveness of Food for Peace (FFP) partners in carrying out Title II development activities with measurable results related to food security with a primary focus on household nutrition and agricultural productivity.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; the Agricultural Trade Development and Assistance Act of 1954 (PL 480 Title II governing legislation); PL 480 Title II Development Program Policies ; FFP Strategic Plan

1.2 Does the program address a specific interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: The program addresses the specific problems of malnutrition, hunger, and food insecurity among the most vulnerable foreign populations. The legislation governing Title II, the Food Aid and Food Security Policy Paper and the FY 1997-2001 Strategic Plan are key documents clarifying the program purpose. The emergency program focuses on crisis situations (natural or complex emergencies) where specific at-risk populations are targeted. The development (non-emergency) programs emphasize longer term impact on malnutrition and food insecurity including, among others, child survival, nutrition education and community development activities.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; PL 480 Title II Development Program Policies; FFP Strategic Plan

1.3 Is the program designed to have a significant impact in addressing the interest, problem or need? Answer: Yes Question Weight: 20%

Explanation: The program is designed to have a significant impact in addressing food insecurity. Program activities are focused on areas which address malnutrition, hunger and food insecurity. The emergency component can respond to quick-onset disasters and protracted complex emergencies. For emergencies, food can be moved with a relatively short lead time into affected regions. The food is moved through private voluntary organizations (PVOs) and non-governmental organizations (NGOs) and the U.N. World Food Programme (WFP) who have in-country presence and an extensive network of local partners. The development program seeks to increase household food security by promoting sustainable agriculture and nutritional improvements, especially for women and children. USAID integrates Title II with some financial and other USAID resources related to maternal and child health, HIV/AIDs, agriculture, microenterprise, education, natural resource management, water and sanitation.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; PL 480 Title II Development Program Policies ; U.S. International Food Assistance Report; FFP Strategic Plan; R4; FY 01 Agency Performance Report

Program: Public Law 480 Title II Food Aid

Agency: United States Agency for International Development

Bureau:

Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

1.4 **Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?**

Answer: Yes Question Weight: 20%

Explanation: With respect to U.S. emergency food aid in particular, the Title II contribution is unique. To organize a major international emergency program and to implement it through WFP requires U.S. government involvement. In addition, USAID food aid programs have the capacity for synergies based on USAID's overseas presence and technical expertise with other development assistance (DA) such as health, nutrition, agriculture, agro-forestry, and microenterprise. On the non-emergency side, some observers have argued that many projects, particularly those involving monetization, fall more into the sphere of DA and therefore may not be not unique because DA could be substituted. USAID has an ongoing review to redirect future non-emergency projects toward priority food security objectives. U.S. private donations as well as foreign counterpart private and public institutions also have food aid programs. In addition, while USDA also implements food aid programs, USAID has the lead role in emergency programs. USAID is the largest program that has the capacity to integrate food aid with sustainable development.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; PL 480 Title II Development Program Policies ; U.S. International Food Assistance Report; FFP Strategic Plan; R4; FY 2001, FY 2002 Agency Performance Report, discussions with GAO

1.5 **Is the program optimally designed to address the interest, problem or need?**

Answer: No Question Weight: 20%

Explanation: The program generally allows effective cooperation between USAID and its cooperating sponsors (PVOs, NGOs, WFP). However, USAID continues to seek improvements. Several congressional mandates support other policy objectives and make program goals more difficult or costly to achieve. For example, cargo preference requirements increase delivery cost and time. Minimum and sub-minimum tonnage requirements decrease FFP's ability to respond flexibly to changing global needs, particularly in emergencies. Tonnage minimums may be difficult to attain depending on U.S. market conditions. Changes in cost recovery rules for monetized programs potentially lower program revenues. Monetized sales often generate less than the USG cost of providing the food. Legislation prohibits solely cash grants. Monetization, a non-transparent and unreliable funding source, has risen in recent years in order to provide funds for non-commodity project components. USAID 5-year or longer development project agreements permit a longer horizon to obtain more measurable results but reduce funding flexibility. More USAID program integration would be beneficial.

Evidence: FACG Minutes; PL 480 Title II governing legislation; U.S. International Food Assistance Report; FFP Strategic Plan; Food Aid and Food Security Policy Paper; Audits, such as USAID/OIG Audit on Cargo Preference; R4s, Food Aid: Experience of U.S. Programs Suggest Opportunities for Improvement, discussions with GAO, GAO reports.

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau:
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

2.1 **Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: Yes — Question Weight: 14%

Explanation: The FFP Strategic Plan states its overarching goals through its two strategic objectives (SO) stated in I.1. The strategic plan covers a five year time frame, which is adequate time to track achievement of the goals. The emergency SO is to meet the critical food needs of targeted groups (vulnerable groups identified as needing assistance at the time of proposal submission). Because USAID believes that is is more difficult to assess the impact of non-emergency programs on food security, and because PVOs (rather than USAID) implement programs, the current development SO focuses on improving PVO capabilities to carry out programs with results related to food security, with focus on household nutrition and agriculture productivity (process, rather than outcome related). USAID is developing a new strategic plan and is currently reviewing its approach to performance goals and indicators of food insecurity.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; FFP Strategic Plan; R4s; SO II list of generic indicators

2.2 **Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?**

Answer: Yes — Question Weight: 14%

Explanation: The FFP Strategic Plan states goals and targets. Both emergency and development programs have annual targets for progress toward achieving long term goals. The annual development goals address several sectors such as maternal and child health and nutrition and water and sanitation. Generic Title II indicators are used and can be tailored to each development food aid project in consultation with PVOs. (PVOs and missions are given flexibility in proposing activities that they believe will have the greatest impact on food security.) The emergency and development performance data collected are analyzed annually and reported in the Results Review/Annual Reports. Because performance may be measured differently across projects depending on available data and other factors, projects contributions to Title II long-term goals are difficult to assess. Except for certain missions that roll up food aid results into their overall country results, the overall measure is percent of reported project targets achieved. Alternative methods for capturing achievement across Title II programs are under review.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; FFP Strategic Plan; Annual Report; Agency Performance Report; SO II list of generic indicators

2.3 **Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?**

Answer: Yes — Question Weight: 14%

Explanation: FFP undertook an extensive consultative process in developing its performance indicators in 1996/97, and continued the regular dialogue in operationalizing the results framework. FFP partners are engaged in the current program planning and development of the follow-on Strategic Plan and are supportive of the long term goals of the program. Bi-annual discussions at the Food Aid Consultative Group (FACG) provide opportunities for collaboration on issues and discussion on current issues. Any policy changes are vetted through the PVO community who can provide feedback when items are listed on the Federal Register. Current efforts to update the strategic plan are being undertaken in a highly collaborative manner with PVO participation. USAID has tried to strengthen linkages to Agency objectives and appropriate programmatic and financial oversight. PVOs have sought and obtained legislatively more flexibility in those same areas, for example, limiting USAID's ability to achieve benchmark cost recovery on monetized development food aid programs.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; FFP Strategic Plan; Annual Report; FACG minutes; R4s

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau:
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

2.4 **Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?** Answer: Yes Question Weight: 14%

Explanation: FFP, USDA and State, among others, participate on the Food Aid Policy Committee (FAPC) whose role is to coordinate food aid programs, although coordination could be improved. FFP holds bi-annual consultations with WFP to review program goals and objectives. Within FFP, more improvement is needed with transition guidance and communication between emergency and development programs. Additional coordination and integration of food aid with USAID development and disaster assistance is needed. More USAID missions need to integrate food aid into mission objectives or activities. Cross-bureau communications and program integration are improving under the Agency reorganization and new initiatives are under development. Interagency coordination by agencies including State Department has room for improvement particularly on consultation and coordination with other donor counterparts on burden-sharing and with recipient countries about their policies that may exacerbate famine conditions.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; FFP Strategic Plan; Annual Report; WFP consultation minutes; discussions with GAO

2.5 **Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?** Answer: Yes Question Weight: 14%

Explanation: Development program key evaluations take place in the final year (based on performance relative to baselines established for each project with the cooperating sponsor). Evaluations of emergency programs are undertaken as needed. FFP programs have been evaluated by independent sources that include GAO, USAID OIG and FANTA (Food and Nutrition Technical Assistance project). Monitoring and evaluation systems have been developed to focus on reporting to the Mission and FFP. Incorporation of a systematic management agenda for external evaluations is needed and will be added in the future. PVOs final reports on food aid projects, but not mid-term reports, require an external review. The terms of reference that PVOs set for performance evaluations by external consultants are improving. USAID's last large-scale internal evaluation of humanitarian aid, including emergency food aid, was undertaken in December 2000 (CDIE).

Evidence: FANTA Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program (FAFSA); GAO reports, AID OIG Audits; CDIE evaluation

2.6 **Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?** Answer: No Question Weight: 14%

Explanation: The program budget is not aligned so that the impact of the funding, policy and legislative changes on performance is readily known.

Evidence: PL 480 Title II governing legislation, discussions with USAID

2.7 **Has the program taken meaningful steps to address its strategic planning deficiencies?** Answer: Yes Question Weight: 14%

Explanation: FFP has reviewed lessons learned from implementing its Strategic Plan of 1997-2001 to be incorporated into the new one. While the framework for emergency food aid was a useful and effective monitoring tool, there were problems in measuring the impact of development food aid. The new strategic plan currently under development is expected to improve performance goals, indicators and targets by removing some that are no longer meaningful and by reviewing ways to allow better evaluation of overall performance results. FFP has met several times with its partners to develop a vision and address strategic planning deficiencies and emerging issues that should be incorporated. The Annual Report reflects regular refinements of performance indicators as experience is gained in measuring food aid outcomes.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; FFP Strategic Plan; Annual Report; Draft FY 2003 Strategic Framework

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: Yes Question Weight: 9%

Explanation: While FFP requires its implementing partners to provide timely and credible performance data through its regular reporting system, FFP is working with its implementing partners to improve the timeliness of reports. USAID has not made tracking implementing partners compliance or report verification a budget priority. Nonetheless, annual performance reports provide some program results based on information from implementing partners. Verification is done partly through USAID field visits. While USAID was tracking the information (FY1997-FY2000), compliance was improving. Those data indicated an improvement in the quality and validity of CSs monitoring and reporting systems. USAID noted, for example in its 2001 Annual Report that emergency program reporting is declining. For development food aid, performance targets are currently set on a case-by-case basis for each project and overall results (on percent of targets achieved) are based on those who report. USAID needs to make more progress in collecting and presenting generic Title II results at a country level at least.

Evidence: Annual report, R4s, guidelines, Transfer Authorization (grant agreement) for emergency food aid; FANTA

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?** Answer: No Question Weight: 9%

Explanation: While there is a chain of authority for scheduling for food aid delivery -- from freight forwarders to actual discharge ports -- there is little information on how USAID is held accountable, particularly for cost and schedule results (beyond the normal personnel performance evaluation process). FFP also tracks program approvals. Audits have been done of selected programs (FFP, PVOs) reviewing commodity losses, packaging and condition of food once it arrives. USAID holds an annual training workshop for staff, program grantees, and contractors on program guidelines. While past performance of implementing partners is part of the review process to renew programs, failure to provide annual performance results in a timely manner can but does not necessarily affect project continuation or funding.

Evidence: Guidelines; OIG Audits; FFPIS Shipping Logistics Status report

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau:
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

3.3 **Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: Yes — Question Weight: 9%

Explanation: Title II funds are obligated continually. The program approvals (CSR4s) are followed closely and PVOs are supposed to follow program implementation requirements. Required reporting, evaluations, monitoring visits, and audits help ensure that funds are spent for the intended purpose. FFP has clear policies for reprogramming in-country development food commodities to meet unforeseen emergencies. A certain number of projects each year either are not started, use less food than anticipated, or are terminated. In these cases, funds are reprogrammed to priority areas. With respect to project commitments (as opposed to budgetary obligations), the five-year or more project horizon limits flexibility in shifting funds to meet changing priorities.

Evidence: Guidelines; OIG Audits; Year end financial documentation

3.4 **Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: No — Question Weight: 9%

Explanation: FFP has not submitted a capital investment plan or gone through USAID's IT planning process approval for FFP's current IT investment (FFPIS) plans. FFP is collaborating with USDA on new food aid reporting system, Food Aid Reporting Entry System (FARES), which FFP expects to eventually replace part of FFPIS. Pilot testing has taken place. For emergency food aid, cost efficiencies are a lower priority than timely delivery of appropriate foodstuffs to vulnerable populations. Monetization expanded, though the trend should be reversing. Monetization may not achieve full cost recovery and is not the least-cost means to deliver most projects desired outcomes. The FY 05 BPBS guidance asks bureaus and missions to address how rationalizing monetization will affect their programs. USAID is reviewing to improve resource targeting (Title II and DA) and cost efficiencies. In other areas, FFP has sought to increase its management efficiency, e.g., managing an emergency grant through a single PVO representative of a PVO consortium. Joint monetization efforts also achieve efficiencies through combined PVO efforts that reduce duplicative operations.

Evidence: FY 05 BPBS guidance

3.5 **Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?**

Answer: No — Question Weight: 9%

Explanation: The Agency is in the process of developing the capacity for activity cost accounting. USAID has not made this a funding priority.

Evidence:

3.6 **Does the program use strong financial management practices?**

Answer: No — Question Weight: 9%

Explanation: USDA and USAID have not coordinated such that dates and cost of a project commodity shipment from start to finish are known and shared in a timely manner. Consistent final numbers are not produced although USAID notes that discrepancies have dropped sharply. In addition, neither agency is able to identify in a consistent fashion the timing of each step of commodity movement (such as the date that a PVO places a call-forward). PVOs are required to have independent audits of their financial activities. As a U.N. organization, WFP is not subject to U.S. audit requirements but is subject to its own independent audit process. GAO has raised concerns about how WFP accounts for certain expenditures.

Evidence: Discussions with GAO, GAO Report GAO-02-328

Program: Public Law 480 Title II Food Aid

Agency: United States Agency for International Development

Bureau:

Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: Yes Question Weight: 9%

Explanation: FFP is taking steps to address some of its management deficiencies. It has sought to improve pre-positioning of food commodities to respond more rapidly to sudden onset disasters. Several working groups have been addressing management improvements based on in the 2002 Farm Bill. These include a technology group to help implement an upgrade to the FFPIS, the streamlining group, to assess process improvements, and the Vision and Strategy Group to develop a new Strategic Plan. The FACG has a commodity work group to address issues for improvement on commodity management. FANTA formulated several recommendations to incorporate management improvements in a 2002 report. The Vision and Strategy Working Group is addressing the deficiencies of measuring the impact of development food aid.

Evidence: FFP Conference Minutes; R4s; 3/03 Interim Report to Congress on Streamlining

3.CO1 **Are grant applications independently reviewed based on clear criteria (rather than earmarked) and are awards made based on results of the peer review process?** Answer: Yes Question Weight: 9%

Explanation: Grant applications are reviewed based on clear, published criteria. The DAP guidelines provide parameters and policy direction for PVOs to submit development proposals. The Emergency Food Proposal and Reporting Guidelines specify emergency review criteria. The review criteria include whether the activity will address the identified problem, proposed use of the aid, target population, the exit strategy, how performance will be measured, capacity of the organization and cost issues. Legislated requirements such as noted in I.5 prevent a more competitive process or a process and limit USAID's ability to award contracts optimally. Pillar bureaus and missions have expanded their participation in proposal reviews.

Evidence: FY 2003 DAP Guidelines; PVO Guidelines for Title II Emergency Food Proposals and Reporting

3.CO2 **Does the grant competition encourage the participation of new/first-time grantees through a fair and open application process?** Answer: Yes Question Weight: 9%

Explanation: Grantees largely consist of a small number of PVOs that have specialized in food aid. However, the competition is open to first time grantees. Since food aid management requires knowledge of specific legislative mandates and other requirements, FFP has encouraged new grantees to work in partnership with organizations with more experience. Institutional Support Agreement (ISA) grants help PVOs strengthen and improve their capacity, so they can be competitive in the food distribution process. In general, the proposals of PVOs do not usually overlap (for example, with respect to targeted populations). USAID estimates a roughly 70 percent acceptance rate. Recent legislation (IFRP, 2000) tasks USAID to expand on its current base of PVO partners and to outsource additional food commodities outside USDA. As a result, USAID has begun working with 5 smaller PVOs on Title II food aid.

Evidence: FY 2003 DAP Guidelines; PVO Guidelines for Title II Emergency Food Proposals and Reporting; 2000 International Food Relief Partnership Act (IFRP); Breedlove Program documentation

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau:
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

3.CO3 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?**

Answer: Yes — Question Weight: 9%

Explanation: FFP requires regular reporting on commodity and financial pipeline, activity, and performance progress. The Missions have technical staff that can provide oversight of PVO activities, but coordination between missions and FFP could be improved. By congressional mandate, programs may take place in non-mission countries, which makes oversight more difficult. Many FFP country and regional program managers (backstop officers) occasionally visit distribution locations to monitor and review the PVO operations. There are reporting requirements to document progress although verification and evaluation of midterm program results are limited. Reporting rates, quality and timeliness of mid-term and final reporting need improvement. In recent years, FFP has expanded overseas placement of PSCs to enhance oversight, monitoring and evaluation capability but oversight is not a USAID funding priority. PVOs are required to hire independent auditors to review their program financial activities. As WFP is a U.N. organization, no U.S. audit requirement applies to its activities (but it is subject to independent audits as a U.N. agency).

Evidence: Guidelines, R4s, discussions with USAID staff, GAO, FANTA

3.CO4 **Does the program collect performance data on an annual basis and make it available to the public in a transparent and meaningful manner?**

Answer: Yes — Question Weight: 9%

Explanation: FFP collects performance data annually from its implementing partners, although reporting rates, quality of the information collected, and timeliness need improvement. The FFP Annual Report, the Agency Performance Report, the Congressional Budget Justification and the U.S. International Food Assistance Report are prepared annually to report on those program results collected. Certain publications are posted on the USAID website. Results are generally not available in a manner which allows an assessment of their contribution to USAID's overall outcome goals for food aid.

Evidence: Annual Report; R4s; FY 2003 Congressional Budget Justification; 2001 US International Food Assistance Report; Agency Performance Report

4.1 **Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?**

Answer: Small extent — Question Weight: 20%

Explanation: Overall changes in food security at a country or global level are difficult to measure particularly in development (non-emergency) cases. The emergency program met some targets but security and logistical problems prevented the program from meeting the population-fed target. The development program has made progress in last several years in implementing results-oriented programs and has met some of its objectives. Implementing partners develop goals and targets, and report on results. Performance at the project level is based on generic indicators. The selection of indicators and how they will be measured is done case-by-case in consultation with the cooperating sponsor. Overall annual results are not based directly on the generic indicators (which are generally difficult to aggregate across programs), but rather on the share of individual programs who reported meeting or exceeding (or failing to meet) their individually-set targets. These results are identified below. Some missions provide country-wide food aid results based on generic Title II indicators and more should be done. FFP is reviewing alternative methods for capturing achievement across Title II programs.

Evidence: R4s, Annual Report; FY 2001 ,FY 2002 Agency Annual Performance report, FASFA, FANTA 7/03 draft "Impact of Title II Maternal and Child Health and Nutrition Programs on the Nutritional Status of Children"

Program: Public Law 480 Title II Food Aid

Agency: United States Agency for International Development

Bureau:

Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: Small extent — Question Weight: 20%

Explanation: Title II emergency food aid program achieved some of its annual performance goals but was hampered by security and logistical problems in certain countries. Development food aid has met some of its goals. A 7/03 draft FANTA analysis of maternal and child health and nutrition (MCHN) development food aid programs finds that, where programs and performance indicators were redesigned in the last six to seven years, chronic malnutrition declined by an average of 2.4 percentage points per year. The review also found considerable variability in the quality and comparability of the data reported by Title II program coordinating sponsors.

Evidence: R4s, Annual Report; FY 2001, 2002 Agency Annual Performance report,FANTA 7/03 draft "Impact of Title II Maternal and Child Health and Nutrition Programs on the Nutritional Status of Children"

4.3 Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?

Answer: Small extent — Question Weight: 20%

Explanation: FFP does not collect information on cost-effectiveness or set goals to improve efficiency. However, USAID is instituting numerous program improvements based on its current performance goals. While the development program goals largely process or output related, the program has become more focused on food security and on higher-risk areas since their introduction. Timeliness of aid deliveries has improved since FY1998, for example, by pre-positioning food commodities for quick response to disasters in Sudan and Somalia. In FY 1999, the pre-positioning in US ports reduced the time needed to get food to countries affected by Hurricane Mitch. Currently, FFP is working to resolve several open USAID OIG audit recommendations related to efficiency, for example, some related to cargo preference reimbursements. In terms of reporting improvements, the FANTA project will work with cooperating sponsors to strengthen and improve their quality.

Evidence: R4s; IG audits, FAFSA

4.4 Does the performance of this program compare favorably to other programs with similar purpose and goals?

Answer: Yes — Question Weight: 20%

Explanation: USAID is effective in targeting food to the most vulnerable populations and in overseeing food aid particularly with respect to PVOs and WFP. USAID's Mission presence provides an opportunity for in-country technical experts who could assist USAID in meeting performance goals. FFP has in-house capacity to integrate many of its projects with other USAID programs in health, nutrition, agriculture and education for value added effectiveness. USDA lacks similar in-house capabilities. USAID's strategic planning and performance measurement in food aid are ahead of USDA's and cover a broader range of food-security related outcomes. Some observers have argued that the ability of foreign counterpart agencies to use cash to buy food allows them to respond more quickly and to be more cost-effective than USAID. WFP often uses cash donations from other countries to buy food locally for these reasons. With respect to development food aid, GAO has suggested that much of development food aid might be less efficient than DA.

Evidence: GAO reports and discussions with GAO.

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau:
Type(s): Competitive Grant

Section Scores				Overall Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

4.5 **Do independent and quality evaluations of this program indicate that the program is effective and achieving results?**

Answer: Small extent

Question Weight: 20%

Explanation: The independent CDIE assessment of complex emergencies noted USAID's emergency assistance "clearly helped save lives and alleviate suffering." Per FAFSA, over the past 6 years, cooperating sponsors (CSs) have made progress in program assessment, program design, resource integration, partnering and capacity-building, while facing some significant constraints. Although there are still gaps, CSs have made gains in design and implementation of monitoring and evaluation plans -- by 1997, at least two-thirds of approved DAPs identified acceptable performance indicators, from a baseline of 20 percent. GAO indicates that a number of improvements are warranted, particularly in the development food aid program. Areas requiring improvements relate to program effectiveness, WFP treatment of certain expenditures, program monitoring and coordination, and cost-effectiveness. Calculations of the degree that food aid interferes with local production (Bellmon indicators) need improvement. Congressional mandates have limited Title II's effectiveness.

Evidence: OIG Audits; CDIE: Complex Humanitarian Emergencies and USAID's Humanitarian Response; FANTA: Report of the FAFSA, GAO reports and discussions with GAO.

PART Performance Measurements

Program: Public Law 480 Title II Food Aid

Agency: United States Agency for International Development

Bureau:

Measure: Emergency Food Aid: Meet Critical Food Needs of Targeted Groups

Additional Information: Target (a) - FY 2002 Target = 90% of targeted population reached by food aid.Target (b) - FY 2002 Target = 70% of programs reporting improved and/or maintained nutritional status of target groups.Actual Progress achieved toward goal: (a) Actual Progress FY 2002: 78% reached (compared to FY 1996 baseline of 67%, down from FY 2001 level of 90.7%);(b) Actual Progress FY 93% of programs reporting (compared to FY 1996 baseline of 37%, up from FY 2001 level of 73%).

Year	Target	Actual
1996		67%
2002	90%	78%
2003	90%	
2004	90%	

Measure Term: Long-term

Measure: Development Food Aid: Increased effectiveness of FFP's partners in carrying out Title II development activities with measurable results related to food security with a primary focus on household nutrition and agricultural productivity.

Additional Information: Target: FY 2002 Target = 65 % of partners targets demonstrated to be achieved based on objectively measured indicators selected for their individual projects. (Target revised from FY 2001 value to be more realistic.) Actual Progress achieved toward goal:2) Actual Progress FY 2002 = 50% (down from 61 % in FY 2001)

Year	Target	Actual
1996		
2002	65%	50%
2003	65%	
2004	65%	

Measure Term: Long-term

Measure: Emergency Food Aid: % of targeted population reached by food aid

Additional Information: Performance Target: 90% .Actual Performance: 78% actual in FY 2002 , compared to FY 1996 baseline of 67% , down from FY 2001 level of 90.7%

Year	Target	Actual
1996		67%
2002	90%	78%

Measure Term: Annual

PART Performance Measurements

Program: Public Law 480 Title II Food Aid

Agency: United States Agency for International Development

Bureau:

Measure: Emergency Food Aid: % of targeted population reached by food aid

Additional Information: Performance Target: 90% .Actual Performance: 78% actual in FY 2002 , compared to FY 1996 baseline of 67% , down from FY 2001 level of 90.7%

Measure Term: Annual

Year	Target	Actual
2003	90%	

Measure: Emergency Food Aid: % of programs reporting improved or maintained nutritional status

Additional Information: Performance Target: 70%. Actual Performance:93%, compared to FY 1996 baseline of 37% , up from 73% actual in FY 2001

Measure Term: Annual

Year	Target	Actual
1996		37%
2002	70%	93%
2003	70%	
2004	70%	

Measure: Development Food Aid: % of nutritional and other targets achieved in reporting programs

Additional Information: Performance Target: 65%(revised from FY 2001 value to be more realistic).Actual Performance: 50%, down from 61% in FY 2001

Measure Term: Annual

Year	Target	Actual
2002	65%	50%
2003	65%	
2004	65%	

Program ID: 10000390

OMB Program Assessment Rating Tool (PART)

Competitive Grant Programs

Name of Program: USAID Climate Change

Section I: Program Purpose & Design (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Is the program purpose clear?*	Yes	AID's Climate Change Program's mission statement is to promote sustainable development that minimizes the associated growth in greenhouse gas emissions and reduces vulnerability to climate change. The program supports activities to decrease the rate of growth in net greenhouse gas (GHG) emissions by decreasing GHG sources and maintaining or increasing GHG sinks; increase developing and transition country participation in the UN Framework Convention on Climate Change (UNFCCC); and decrease developing and transition country vulnerability to the threats posed by climate change.	Mission statement and program objectives are outlined in AID's 1998 publication entitled "Climate Change Initiative, 1998-2002." This report framed the climate change issue and defined AID's strategy. AID has not yet completed a new strategy for fiscal year 2003 and beyond. In 1990, Congress directed AID to engage in climate change activities by focusing its global warming activities in "specific key countries which stand to contribute significantly to GHG emissions, and in which actions to promote energy efficiency, reliance on renewable energy resources, and conservation of forest resources, could significantly reduce emissions of greenhouse gases" (P.L. 101-167, section 534).	20%	0.2

2	*Does the program address a specific interest, problem or need?*	Yes	AID works with developing and transition countries to incorporate climate change considerations into their economic growth plans. Following U.S. treaty obligations and Bush Administration policy, AID funds projects that help developing countries reduce GHG emissions and avoid and/or adapt to projected global climate changes that may negatively affect them.	In 1992, the U.S. ratified the UN Framework Convention on Climate Change (UNFCCC). The treaty's objective is "to achieve…stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system…to ensure food production is not threatened and to enable economic development to proceed in a sustainable manner." The Intergovernmental Panel on Climate Change (IPCC), an international body of 2,500 of the world's leading scientists and technical experts also outline the need to address both sustainable development and climate change in the publication, "Climate Change 2001: Impacts, Adaptation, and Vulnerability; IPCC Working Group II Third Assessment." "U.S. Climate Change Strategy A New Approach" White House, February 14, 2002	20%	0.2
3	*Is the program designed to have a significant impact in addressing the interest, problem or need?*	Yes	A case study of the climate change program in Philippines concluded that "Conventional AID environmental programs (forestry and land use, energy technology and management, and urban and industrial pollution) can yield significant ancillary climate change benefits." The program is implemented through regional programs in Central Africa, Central America, and Central Asia, as well as through bilateral assistance to thirty-five countries throughout Africa, Asia, Latin America, Eastern Europe and Eurasia. Across all regions and countries, AID places strong emphasis on leveraging the capabilities and resources of other donors, the private sector, non-governmental organizations (NGO's), and communities.	"AID Programs that Respond to the Global Climate Change: Philippines Case Study;" CDIE, DRAFT. To enhance the impact of its activities, the program leverages funding from other sources. While it is difficult to calculate an exact figure that measures AID's ability to leverage funding from other donors and institutions, the Agency nevertheless seeks to assess its overall impact in promoting innovative approaches and activities that address climate change with its partners. In FY 2001, based on data collected from all countries participating in the program, AID leveraged over $1.07 billion, multiplying its investment by almost seven times the amount it obligated for climate-related activities in that year, $156 million.	20%	0.2

4	*Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?*	Yes	The AID climate change program is the primary vehicle for U.S. assistance to developing countries on climate change. It is comprehensive, not needlessly redundant, and it has more funding than other existing federal programs. However, there are several agencies that have programs with similar goals (DOE, EPA, NOAA, USDA, Treasury). In addition, all parties to the UNFCCC and several private institutions share the stated aim of promoting sustainable development and reducing the intensity of GHG emissions in developing and transitioning economies (World Bank, donor nation development assistance agencies, Global Environment Fund, U.N. Environment Program). AID's challenge is to coordinate its programs with the many federal and non-federal programs conducting similar work.	The UNFCC has been ratified by more than 190 nations including many developing nations. World Bank, Global Environment Fund, United Nations Development Program, United Nations Environmental Program and numerous OECD countries have GHG emission reduction, adaptation to climate change, and sustainable economic development as stated goals. EPA is engaged in activities within developing countries and countries undergoing economic transition that address both air quality improvement and climate change mitigation. Other Federal Agencies initiate and develop projects independently of AID. Also, AID collaborates with other US and international government agencies, and the private an non-profit sectors. AID's Climate Change Initiative report acknowledges the contributions of multilateral and bilateral donors, international organizations, the private sector, and other agencies and the departments of the U.S. government.	20%	0.2

5	*Is the program optimally designed to address the interest, problem or need?*	Yes	The program seeks to promote sustainable development and address climate change by taking account of climate change concerns in a broad range of development assistance activities. The program is not designed to target only climate change mitigation and adaptation projects; therefore, the climate change objectives are not maximized. However, given that many developing countries that AID works with have not made specific commitments to reduce or control GHG's, it is not feasible to fully maximize climate benefits. AID focuses funding on recipient countries priority sustainable development goals while "building in" climate change benefits. Any AID development assistance project that AID funds that has a corollary climate benefit is counted as part of AID's climate program. AID implements only a small amount of climate-specific funding. AID and many other donors followed the "win-win" approach, whereby funding and policy decisions have primarily focused on traditional development outcomes while capturing climate impacts.	AID mainstreams climate change concerns throughout the Agency and with in-country partners by educating participants on the climate-related benefits of long-standing and new development assistance programs. The "win-win" approach is supported by academic work included in the Assessment Report of the Intergovernmental Panel on Climate Change (see evidence for cite) which finds that "Activities requited for enhancement of adaptive capacity [to climate change] are essentially equivalent to those promoting sustainable development." Publication: "Climate Change 2001: Impacts, Adaptation, and Vulnerability". Published for the Intergovernmental Panel on Climate Change. Cambridge University Press.	20%	0.2
Total Section Score					**100%**	**100%**

Section II: Strategic Planning (Yes,No, N/A)

1	*Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?*	Yes	AID needs to develop new long term goals and indicators that focus on measureable outcomes. The overarching long-term performance goals are clear and AID set proxy measures in 1998 on an annual basis. This question is answered "Yes" because one of the indicators is specific, measurable and had a cumulative target linked to a an outcome (hectares where AID funding increased carbon stocks or reduced their rate of loss). However, another indicator (achieve 300 capacity building activities) is not linked to outcomes at all. The long term goals are: (1) Decrease the rate of growth in net GHG emissions by decreasing GHG sources and maintaining or increasing GHG sinks. (AID has not developed a direct measure for this goal.); (2) Increase developing and transition country participation in the UN Framework Convention on Climate Change (UNFCCC). (Indicator, number of capacity building activities, is poor.); (3) Decrease developing and transition country vulnerability to the threats posed by climate change (No indicator developed).	The original long-term goals of the program are outlined in the published document "Climate Change Initiative, 1998-2002." The Performance Monitoring Plan set the annual indicators and targets. One of the goals has a long-term cumulative target for the 5-year period. The program needs to measure climate outcomes and set long term targets that can provide a basis for annual program and budget decisions. The program has begun a review of the 1998-2002 program.	14%	0.1

2	*Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?*	Yes	In 1998, baselines and annual targets for the following three indicators were established in a Performance Monitoring Plan (PMP) as proxy measures of the long term goals: 1) area where AID has initiated interventions to maintain or increase carbon stocks or reduce their rate of loss, 2) emissions of carbon dioxide equivalents avoided, due to AID assistance (measuring carbon dioxide, methane, and nitrous oxide, and 3) institutions strengthened in support of the Framework Convention on Climate Change, in the land use/forestry sector, energy sector, industry, or urban areas. Annual results are calculated and compared to the PMP targets for each respective year, as well as to the previous year's performance. This tracking system measures progress toward achieving the longer term goals of the program. The PMP does not capture the program's progress with respect to the third long-term goal, "decreasing developing and transition country vulnerability to the threats posed by climate change," as no quantifiable standard for determining baselines or measuring progress had been established.	AID publication: "AID Climate Change Program Special Objective 1: Agency Climate Change Program Effectively Implemented Performance Monitoring Plan (draft), Global Environment Center AID. April 19, 2000	14%	0.1
3	*Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?*	Yes	Partners under contract with AID's operating units are required to report results on specific indicators. Under AID's "win-win" approach to climate change operating units do not establish strategic objectives to specifically address climate change. However, the Agency has established uniform criteria for measuring the extent to which its programs are contributing to its long-term climate change goals, and has required mandatory annual reporting by all operating units who are implementing climate-related activities. As activities are planned and implemented, contractors are instructed on how to use these standard indicators for measuring and reporting climate-related benefits.	Each year, the Climate Change Team in Washington sends guidance and indicator reporting forms to operating units to collect information about the climate change activities they support with their partners. The team manages, aggregates, and analyzes the information through a central database. AID operating units and their cooperating partners sign a Letter of Understanding (LOU) outlining their interests and planned cooperation toward the strategic objective of the operating unit. In addition, it is standard language in both cooperative agreements and grant agreements with AID for the cooperating partner to submit regular progress reports.	14%	0.1

4	*Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?*	Yes	The Agency coordinates with other Federal agencies that have similar international programs. For example, AID makes use of expertise within EPA, DOE, USDA and often enters into cooperative agreements with NGOs to support their programs that meet USG objectives.	One example is AID's support of the US Climate Technology Cooperation (US-CTC), an interagency initiative of DOE, EPA, State, and AID, that encourages climate-friendly technologies and practices. Under US-CTC, AID has co-sponsored the Climate Technology Partnership (CTP), for technical assistance to facilitate the use of clean energy and renewable energy technologies. For example, AID's support focused technology transfer efforts in Mexico, Philippines, South Africa, Brazil, and Egypt, while EPA focused efforts in China and Korea, countries where AID does not have authority to work.	14%	0.1
5	*Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?*	No	Current evaluations of program performance are internal AID reports. A case study of AID programs that respond to global climate change in the Philippines was conducted by the Center for Development Information and Evaluation (CDIE) this year. CDIE also did an overview of the the program in 2001. Also, Each year, the AID Washington-based Global Climate Change (GCC) Team aggregates and evaluates performance data submitted by more than 35 operating units. AID considers the GCC to be independent and non-biased. Gaps in performance from year to year are identified and communicated to the appropriate AID operating unit which manages the in-country climate-related activities in question. However, the central GCC Team does not have the ability to link climate-related performance with budgeting for these individual operating units. The Team makes technical suggestions for specific program improvement, but cannot fully control to what degree those suggestions are budgeted for and acted upon.	1) "AID Programs that Respond to the Challenge of Global Climate Change: An Experience Review; CDIE; October 2001" and 2) "AID Programs that Respond to the Global Climate Change: Philippines Case Study;" CDIE, DRAFT.	14%	0.0

6	*Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?*	No	AID programs its activities based on annual funding targets. At the end of the year, the level of funding to programs with climate benefit is assessed. AID has exceeded its annual budget target for climate change obligations since the inception of the Climate Change Initiative in FY98.	AID staff points out that while the annual program budget is not tied to performance goals, the impact of changes in funding, policy, and legislation on the program volume can be determined. The impact of changes on performance are not known.	14%	0.0
7	*Has the program taken meaningful steps to address its strategic planning deficiencies?*	Yes	The effort has begun, but has not affected planning yet. The Climate Change Team started developing a new strategic plan for the GCC program in March 2001. Washington and field-based staff discussed achievements, lessons learned, and ideas for future direction of the program. Information from the workshop and US climate change policy, announced in February 2002, formed the basis for a draft Concept Paper in May 2002. Review of the strategic priorities is currently underway.	Workshop report, "Recommendations and Conclusions from the AID Climate Change Training Workshop 2001," and Concept Paper, "Global Climate Change and AID."	14%	0.1
Total Section Score					**100%**	**71%**

Section III: Program Management (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?*	Yes	AID regulations require recipients of funding to manage, monitor, and report project performance information on a regular basis. Operating units collect performance reports from recipients on a quarterly, semi-annual, or annual basis. The Agency's Annual Reporting system collects program performance data. The first year of climate change reporting helped to form the baseline for targets in the Performance Monitoring Plan (PMP).	AID abides by 22 CFR 226, "Administration of Assistance Awards to US Non-governmental Organizations", section 226.51, "Monitoring and reporting program performance" to require partners to provide performance reports. In addition, the Climate Change Team houses information collected through indicator reporting by operating units in a database designed specifically for this purpose. FY 2001 indicator reporting documents.	9%	0.1

2	*Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?*	Yes	In the Agency personnel evaluation process, project managers are evaluated for effective management of agreements; staff who serve as point-persons for country programs are assessed according to their contributions toward a mission's strategic objective. Input is sought from supervisors, peers, and clients on performance concerning these criteria as part of the annual evaluation process.	Work objectives in employee work plans are tied to the employee's role in the organization. Among other areas, project managers are evaluated against the quality of technical guidance provided to contractors and grantees and their management of financial and human resources. Additionally, staff are assessed against criteria appropriate to the stage of the country program; for example, contribution to a new country strategy or assistance in ensuring that country resources are appropriately allocated to agreements managed by AID/W if the mission chooses to program its funds that way. Project pipelines factor into annual budget decisions.	9%	0.1
3	*Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?*	Yes	AID obligates all its climate funds in the same year the funds are made available. The Washington office issues guidance annually on the appropriate use of climate funds to help ensure that funds are spent for their intended purpose. Additionally, the Climate Change Team and PPC jointly review obligation data to ensure the integrity of the data before it is submitted to Congress. The Agency regularly audits contracts and grants to assure the funds are spent for the intended purpose.	AID obligation data is provided annually in the Congressionally mandated Federal Report to Congress on Climate Change Expenditures.	9%	0.1
4	*Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?*	No	Efficiency and productivity gains are not generally part of contracts and grant agreements. However, the Agency implements much of its program through competitively-awarded mechanisms, and usually makes awards on the basis of "best value" to the government; has empowered its frontline managers to make program decisions; has pursued increased efficiencies by consolidating projects; has focused on improving use of information technology.	No evidence was provided that showed that incentives and procedures were in place.	9%	0.0

5	*Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?*	No	Although the agency has made progress in the allocation of administrative costs, they are still unable to fully account for headquarters costs or allocate down to the individual program level. In addition, to date, the information has simply been used to highlight missions with either extraordinarily high or low operating expense to program ratios rather than as a direct factor in decisions regarding program funding.	Status Report on Operating Expenses, Managerial Cost Accounting Report (previews/summary pieces) The finals should be available by the end of the month.	9%	0.0
6	*Does the program use strong financial management practices?*	No	Although the agency has made progress in achieving a qualified financial audit opinion for FY 2001, it continues to not meet basic Federal financial management requirements. In addition, it has not yet implemented a compliant financial management system for its field missions.	AID Inspector General's audit report for FY 2001.	9%	0.0
7	*Has the program taken meaningful steps to address its management deficiencies?*	Yes	Annual program guidance on appropriate use of climate funds is issued to help ensure the integrity of the program. Country budget targets are jointly established by PPC, the Climate Change Team, and the regional bureaus. At year end, country programs including performance are reviewed jointly by PPC and the Climate Change Team. To more effectively manage the program, the Climate Change Team has increased its level of staffing, increased communication with operating units in the field through regular email news updates and site visits, established an intra-agency team composed of Washington-based staff that meets regularly to facilitate improved understanding of the program.	The AID Annual Report process collects program, performance and financial data on the Agency's Climate Change programs. Through this process, deficiencies (if any) are detected and addressed. In addition, in FY 2001, the management of the Economic Growth, Agriculture, and Trade (EGAT) pillar implemented a rigorous portfolio review of the centrally managed Environment and Climate Change programs.	9%	0.1

8 (Co 1.)	*Are grant applications independently reviewed based on clear criteria (rather than earmarked) and are awards made based on results of the peer review process?*	Yes	Agency funding is awarded through a competitive process with few exceptions. Applications are reviewed by technical panels and ranked according to how well they meet the selection criteria outlined in the request for applications. Most awards are evaluated based on the following broad criteria: program design and performance monitoring, institutional capacity and past performance, personnel capability and experience. Applicants are informed of the relative weight of each category and the elements within it that count toward the total score. Applicants' budget proposals are separately evaluated by AID's Office of Procurement. The program office also receives unsolicited proposals which are peer reviewed and awarded based on merit and how well they meet the needs of the operating unit's strategic objectives.	In addition to following OMB Circulars (e.g., A-133, A-122, and A-110), AID has its own implementing regulations that are published in Automated Directive System (ADS) Chapter 303 for Grants and Cooperative Agreements to Non-Governmental Organizations.	9%	0.1
9 (Co 2.)	*Does the grant competition encourage the participation of new/first-time grantees through a fair and open application process?*	Yes	AID requests for applications are open and announced on the Agency website. In addition, in the near future, assistance opportunities will be announced on General Services Administration's electronic posting system, Federal Business Opportunities (www.FedBizOpps.gov). Unsolicited proposals are received at any time during the fiscal year from all interested parties. In addition, the Climate Change Team receives unsolicited presentations by potential first-time contractors as well as previous partners for new project ideas.	The Agency tracks the number of new awards per year. In FY 2001, 45.6% of new assistance awards included new agreements, first time recipients, and repeat recipients. **AID please explain percentages**	9%	0.1
10 (Co 3.)	*Does the program have oversight practices that provide sufficient knowledge of grantee activities?*	Yes	AID operating units oversee activities of their cooperating partners through annual workplan reviews, management reviews, site visits, briefings, results reporting and financial reviews. The Climate Change Team in Washington relies on results reporting from operating units in the field to monitor and evaluate climate-related activities and expenditures to ensure that they meet the goals of the program.	AID's Automated Directive System (ADS) requires Cognizant Technical Officers (CTOs) of cooperative agreements to "monitor and evaluate the recipient's performance [through site visits, reviewing and analyzing performance, assuring compliance with the terms and conditions of the award...]; evaluate...program effectiveness at the end of the program; and perform other duties as may be requested or as delegated by the Agreement Officer." CTO responsibilities for contract oversight are articulated in each award agreement.	9%	0.1

11 (Co 4.)	*Does the program collect performance data on an annual basis and make it available to the public in a transparent and meaningful manner?*	Yes	The Climate Change Program collects performance data on an annual basis and makes it available to the public.	2002 Report to Congress of Federal Climate Change Expenditures, AID's Annual Performance Report, AID website, Climate Change Initiative Annual Report.	9%	0.1
Total Section Score					**100%**	**73%**

Section IV: Program Results (Yes, Large Extent, Small Extent, No)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?*	Small Extent	AID can report on the 5th year (2002) indicator targets and measures set in 1998. Only one of the indicators is measurable and has a cumulative target linked to an outcome (hectares where AID funding increased carbon stocks or reduced their rate of loss). The annual targets and indicators have not changed since the Climate Change Initiative program's inception in 1998. The targets for 2001 set in 1998 were so far exceeded that it raises the question whether the targets were rigorous enough and could have been reevaluated during the 5-year period. AID is currently evaluating the FY 2002 data.	The original long-term goals of the program are outlined in the published document "Climate Change Initiative, 1998-2002." The Performance Monitoring Plan set the annual indicators and targets.	25%	0.1

Long-Term Goal I:	Decreasing the rate of growth in net greenhouse gas (GHG) emissions by reducing GHG emissions at their source and/or maintaining or increasing carbon storage in land-based 'sinks'
Target:	1) By 2002, cumulative area where AID has initiated interventions to maintain or increase carbon stocks or reduce their rate of loss: 61 million hectares. 2) 2001 annual emissions of carbon dioxide equivalents avoided, due to AID assistance: 2.95 million metric tons
Actual Progress achieved toward goal:	Exceeded targets in both cases. By 2001, one year before the end of the Initiative, the program had exceeded the targeted "area of intervention" by 32 million hectares. The annual targeted amount of "CO2 equivalents avoided" by 2.85 million metric tons.
Long-Term Goal II:	Increasing developing and transition country participation in the UN Framework Convention on Climate Change (FCCC)
Target:	By 2002 to achieve 300 capacity building activities.
Actual Progress achieved toward goal:	Exceeded target. By 2001, the program had exceeded the target by 2552 "capacity building activities." This target does not indicate country participation.
Long-Term Goal III:	Decreasing developing and transition country vulnerability to threats posed by climate change
Target:	According to AID, no target was set for this goal because an internationally accepted standard for establishing baselines and measuring progress had not been developed when the Initiative began in 1998. AID has never created its own measurable target.
Actual Progress achieved toward goal:	

2	*Does the program (including program partners) achieve its annual performance goals?*	Yes	Since 1998 when the Agency began tracking performance of its climate change program, it has consistently met its annual targets as outlined in the *Performance Monitoring Plan*. The Agency could not achieve this level of accomplishment without the cooperation of its program partners, who, as noted in Section II, question 3, contribute fully to the program's objectives and whose performance is evaluated on a regular basis. The annual indicators and results for FY 2001 are reported here.	Results are reported annually in the following documents: 1) AID Annual Performance Plan; 2) Agency Annual Performance Report; 3) AID's annual submission to the Federal Climate Change Expenditures Report to Congress.	25%	0.3

Key Goal I:	Area where AID has initiated interventions to maintain or increase carbon stocks or reduce their rate of loss
Performance Target:	59.5 million hectares
Actual Performance:	94 million hectares
Key Goal II:	Emissions of carbon dioxide equivalents avoided, due to AID assistance
Performance Target:	2.95 million metric tons of carbon dioxide equivalent
Actual Performance:	5.8 million metric tons of carbon dioxide equivalent
Key Goal III:	Institutions strengthened in support of the Framework Convention on Climate Change, in the land use/forestry sector, energy sect
Performance Target:	300 capacity building activities
Actual Performance:	2522 capacity building activities

Footnote: Performance targets should reference the performance baseline and years, e.g. achieve a 5% increase over base of *X* in 2000.

3	*Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?*	No	The program has not undergone an A-76 competition or other systematic way of improving contracting efficiencies aimed at reducing cost to achieve goals. Also, the central GCC Team does not have the ability to link climate-related performance with budgeting for individual operating units. The Team makes technical suggestions for specific program improvement, but cannot fully control to what degree those suggestions are budgeted for and acted upon.	No evidence provided that would justify a yes answer.	25%	0.0
4	*Does the performance of this program compare favorably to other programs with similar purpose and goals?*	n/a	We were not able to find data evaluating and comparing the effectiveness of climate change programs.		0%	

5	*Do independent and quality evaluations of this program indicate that the program is effective and achieving results?*	No	Current evaluations of program performance are internal AID reports. A case study of AID programs that respond to global climate change in the Philippines was conducted by the Center for Development Information and Evaluation (CDIE) this year. The CDIE report "AID Programs that Reduce the threat of Global Climate Change An experience Review notes that "the Agency's programs affecting global climate change have registered significant outputs. However, there is little documentation on the impact of these programs." The Philippine Case study concluded that "Conventional AID environmental programs (forestry and land use, energy technology and management, and urban and industrial pollution) can yield significant ancillary climate change benefits." There is no independent analysis of the effectiveness of the entire program available.	1) "AID Programs that Respond to the Challenge of Global Climate Change: An Experience Review; CDIE; October 2001" and 2) "AID Programs that Respond to the Global Climate Change: Philippines Case Study;" CDIE, DRAFT.	25%	0.0
Total Section Score					**100%**	**33%**

OMB Program Assessment Rating Tool (PART)

Competitive Grant Programs

Name of Program: USAID Development Assistance - Population

Section I: Program Purpose & Design (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Is the program purpose clear?*	Yes	The purpose of the program is focused principally on reducing unintended pregnancy and improving reproductive health by increasing the use of voluntary family planning. The program also makes substantial contributions to reducing maternal mortality due to unintended pregnancy and abortion and to reducing infant and child mortality through birth spacing.	Foreign Assistance Act, 1961 as amended, paragraph 104(b): "The President is authorized to furnish assistance, on such terms and conditions as he may determine for voluntary population planning."	10%	0.1
2	*Does the program address a specific interest, problem or need?*	Yes	The program addresses three broad problems found in many developing countries: (1) the high level of unmet need for family planning, resulting in couples' inability to determine the number and spacing of their children, disempowerment of women who are unable to complete their schooling or participate in the labor force, and, in some cases, elevated rates of population growth that may be inconsistent with economic growth and natural resource availability; (2) high levels of maternal mortality, in part due to unintended pregnancies and the abortions that result from them; and (3) high levels of infant and child mortality, in part due to births that are too closely spaced, born to women at very young ages and are of too high parity. [Unmet need is the percent of married, reproductive age women who state that they want either no more children or to delay their next birth but are not using family planning.]	Unmet need for family planning in USAID-assisted countries, on average, is 18% compared to 13% in phase-out, 13% in E&E, and 11% in non-USAID assisted countries. In absolute terms, there are 86 million women with unmet need in USAID-assisted countries, representing over 80% of unmet need in all developing countries, excluding China. The maternal mortality ratio in USAID-assisted countries, on average, is 632 per 100,000 live births, compared to 270 in phase-out countries, 99 in E&E and 340 in non-USAID assisted countries. In absolute terms, there are 480,000 maternal deaths annually in USAID-assisted countries, which account for 85% of maternal deaths in all developing countries, excluding China. The infant mortality rate in USAID-assisted countries is 75 per 1,000 live births, compared to 53 in phase-out countries, 26 in E&E, and 54 in non-USAID assisted countries. In absolute terms, there are 5.7 million infant deaths annually in USAID-assisted countries, which account for over 80% of infant deaths in all developing countries, excluding China.	30%	0.3

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	*Is the program designed to have a significant impact in addressing the interest, problem or need?*	Yes	Studies have consistently shown that when quality, voluntary family planning/reproductive health services are made available, use of modern contraception increases, even in low resource environments, thereby reducing unintended pregnancy. Increased use of modern contraception also contributes to lower maternal mortality by reducing the number of women exposed to the risks of pregnancy and by reducing reliance on abortion. Finally, increased use of family planning reduces infant and child mortality by allowing women to avoid births that are associated with elevated risks of mortality for either the mother or child (e.g. too closely spaced, mother too young, high parity).	USAID-supported FP/RH programs serve approximately 28 million women of reproductive age in USAID-assisted countries, or 22.6% of users of modern contraceptive methods in those countries. In addition to contributing directly to increased contraceptive use, USAID's population resources also help prevent 3,253,000 abortions, roughly 16,000 maternal deaths, and 275,000 infant deaths. Resources are focused on improving on-the-ground efforts to improve FP/RH information and services. FY2000 expenditure data reveal that over 70% of funds were focused on these activities, including training, management, communications, contraceptives and logistics.	30%	0.3

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?*	Yes	USAID is the only U.S. government agency that receives funding expressly for implementing family planning and reproductive health programs in developing countries. USAID makes unique contributions to family planning and reproductive health programs in the following areas: biomedical research (including microbicides that provide protection from pregnancy and STIs, including HIV); operations research; surveys; contraceptive logistics; and behavior change communication. Unlike most other donors, USAID provides substantial support for service delivery through private channels, including through commercial, PVO and other non-governmental organizations. Cooperative agreement and grant mechanisms typically include a matching requirements of 10-25 percent -- some as high as 50% (CARE Endowment).	USAID receives funding from other U.S. government agencies for biomedical research on new contraceptives, including funding from DHSS, NIH and CDC. In 2001, this funding totaled $1.5 million. In 2000, USAID's funding for family planning comprised 37% of all donor funding for this sector according to the UNFPA-sponsored "Financial Resource Flows for Population Activities in 2000". In the broader classification of "Cairo-defined" population activities that encompasses maternal health and HIV/AIDS, USAID's funding comprises 24% of all donor funding.	20%	0.2
5	*Is the program optimally designed to address the interest, problem or need?*	Yes	USAID's program is decentralized, placing most program design and funding decisions in the hands of technical experts based in-country in field missions, but also including programs designed, funded, and managed out of AID/W. Programming decisions are governed by guidelines on appropriate and optimal use of funds (developed for CSH funds) for acheiving impact in the sector. Most mission-based programs focus on direct provision of FP/RH services and information. Central programs focus on biomedical, operations, and social science research, commodity procurement and logistics, and technical leadership in critical areas such as policy, communications, and performance improvement. Missions have at their disposal, various options for implementing programs, including both mission-managed contracts and agreements and mechanisms managed centrally in Washington. Options include agreements with central governments, district-level governments, international organizations, private voluntary organizations, contracts with local NGOs, contracts with commercial sector organizat	Field and central programs are complementary. They also seek to minimize management burdens on USAID staff and to maximize the reach of USAID resources by including cost-share requirements when appropriate. The Kenya program is a good example of these principles: it represents a combination of locally-awarded and AID/W-managed components; charges the insitutional contractor with coordinating training, technical assistance and monitoring and evaluation practices among the handful of Kenyan NGOs that actually provide fp/rh services; and meets the 15 percent cost share requirement for the project by leveraging assistance from other private and bilateral donors that complement the activities of the bilateral agreement.	10%	0.1
Total Section Score					**100%**	**100%**

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
Section II: Strategic Planning (Yes,No, N/A)						
1	*Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?*	Yes	The Agency has three ten-year (1998-2007) performance goals that the population program contributes to: (1) reducing fertility by 20 percent, (2) reducing maternal mortality by 10 percent, and (3) reducing infant and child mortality by 25 percent. The population program is the principal intervention contribution to goal (1). It contributes jointly with the Agency's maternal health program to achieve goal (2) and with the child survival program to achieve goal (3).	Section IV.1 of this PART contains the Agency's goals and targets for the population sector, as articulated in the 2003 APP. The evidence folder includes a chart summarizing long-term goals and performance indicators that relate thereto. Perforamance targets are articulated in performance monitoring plans at the global, regional, and mission levels.	20%	0.2
2	*Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?*	Yes	The Agency maintains performance data tables that track progress in achieving annual targets for each of its indicators, both at the country level and at an aggregate level. Field missions report country program performance against annual goals using proxy measures in years when survey data are not available. For all operating units, field missions and central programs, a variety of "intermediate-level" results are also tracked.	Key goals, performance targets, and progress to date are articulated in Section IV.2 of this PART. Two indicators are not included in that section because accurate data are available for too few countries to be included in GPRA reporting. 1. Unmet need for family planning reduced in countries where adult HIV prevalence is 8% or higher: data available for six such countries show unmet need reduced by over 13 points, on average, over a five-year period. 2. Abortions reduced through increased use of family planning: data available for five countries have documented success in both increasing family planning use and reducing abortions.	20%	0.2
3	*Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?*	Yes	Many partners have mission statements that are consistent with USAID's -- many partners provided input to USAID's "vision" for population programs -- partners are usually participants/provide comment to USAID designs in an open/transparent process -- partners have scopes of work that are in concert with USAID goals.	In its cooperative agreement with USAID, one partner states: "AVSC is an organization that is fundamentally devoted to helping countries to introduce, expand, and improve services to enable individuals to carry out their reproductive intentions. The results framework for the cooperative agreement mirrors AVSC's overall strategy for working in partnership with USAID and its country partners to maximize access to and quality of services."	10%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?*	Yes	Internal coordination across different categories of health programs is faciliated by the broad responsibilities of most Mission PHN officers for health, HIV and fp/rh activities. The small size of missions also facilitates coordination across sectors. USAID Missions coordinate their fp/rh assistance with the national government and in-country offices of bilateral and multilateral donors. Specific mechanisms exist to foster internal coordination in the Global Bureau also. Global contracts and agreements are often cross-cutting and various working groups and committees exist for coordination. Global assistance with external donors is coordinated through technical meetings, e.g. USAID participation in international technical advisory boards, in executive boards for multilateral and private donors, and through shared initiatives such as the contraceptive security initiative. As the largest bilateral donor, USAID retains an important "seat at the table" in donor fora, espcially on technical matters related to international fp/rh.	Evidence of internal coordination by USAID Missions includes the recent Uganda RFA which was designed with input from the health, fp/rh and education experts in the Mission. Within the Global Bureau internal coordination occurs through global working groups on HIV/FP integration, population and environment, and reproductive health commodities. External coordination by Missions has led to the alignment of project cycles with other donors [e.g. with UNFPA in Nepal]. Globally and in the field the common agenda has involved joint project design missions with representatives from USAID and Japan, for example in Tanzania and Zambia.	10%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
5	*Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?*	Yes	Independent program-wide evaluations have not been done in recent years because family planning programs over the last two decades have demonstrated their effectiveness in meeting unmet need and reducing total fertility rates. Where they have demonstrated success, interventions that were initiatied as operations research experiments have been scaled-up to the national level and implemented worldwide. Although evaluations are not program-wide, the Agency does regularly evaluate most of its activities. However, because it has a system for annual results reviews and reports, evaluations are no longer required for every project. As a consequence, evaluations are often broader in scope, encompassing multiple, related projects/activities.	Through the Evaluation Project, USAID has conducted case-control studies measuring key outcomes in project and non-project areas in Bangladesh and Uganda. USAID has also used operations research to test new modes of service delivery, such as community-based distribution and social marketing, which are now widely implemented at the national level. Independent qualitative evaluations of global and bilateral projects are conducted through the Poptech Project. Poptech evaluations also focus on thematic or cross-cutting initiatives, for example the recent assessment of USAID's post-abortion care activities. Such assessments or evaluations focus on the questions of whether the activities and approach of the project or initiative are the appropriate ones and the quality of implementation.	10%	0.1
6	*Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?*	No	Agency budget allocations are often not aligned with need but rather are driven by geopolitical and historical considerations more than by health priorities.	Nigeria, the country with the greatest need for FP/RH assistance based on both magnitude and severity of unmet need, is ranked 7th in terms of population funding. The country receiving the most population funds in FY2001 was Bangladesh, which ranks 17th in terms of need. Of the countries ranked 1-10 on the basis of need, only two (Nigeria and India) rank in the top ten for FY2001 funding.	20%	0.0
7	*Has the program taken meaningful steps to address its strategic planning deficiencies?*	No	The Global Bureau has conducted analyses to identify allocations of resources that would better serve the Agency's population goals. However, to date, the information has not significantly affected Agency budget allocations. Allocations are further distorted by the decision to fund fp/rh projects from specialized accounts (e.g., ESF, SEED) in countries where unmet need is limited to help meet overall congressional earmarks for fp/rh programs. These specialized accounts comprise an increasing percentage of the Agency's population budget, circumscribing the ability to direct funds to countries with the greatest need.	Analyses have been undertaken to rank countries on the basis of 1) unmet need for family planning, both in terms of magnitude of need (# of births in excess of 2.6 per woman) and severity (total fertility rate) and 2) FY2001 funding allocations. As noted in the evidence for question II.5 above, there is a poor match between need and funding for many countries.	10%	0.0
Total Section Score					**100%**	**70%**

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
Section III: Program Management (Yes,No, N/A)						
1	*Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?*	No	(a) The agency-wide mechanism for reviewing regional and country funding allocations is not sufficiently robust to assure that resource flows reflect primarily the programmatic needs and performance arising from the family planning program's strategic objectives. (b) Central programs rely on management reviews; results reviews (which feed into annual reports); and evaluations -- each of which is aimed at improving performance. Some contracts are performance-based, where the award fee is adjusted based on performance against a range of criteria. Funding decisions are based in part on performance, including field support funds that missions direct to those partners that are most needed to support country programs and objectives. (c) Missions use performance information to review progress with partners and to make adjustments in their programs (Kenya: quarterly meetings with partners to report and review performance/identify problems; Bangladesh: use of surveys in areas where project is and is not working to compare performance).	Annual performance is tracked at multiple levels. PPC tracks, aggregates and reports key indicators of performance (e.g., TFR, CPR, IMR) across roughly 50 countries receiving population and health assistance using three-year weighted averages based on most the recent data from DHS and CDC surveys and interopolation. Aggregated information is updated on a rolling cycle as new survey data become available. However, the Agency has not yet translated the information on need and performance into reallocating funds (see Section II.6). GH tracks a larger set of indicators aggregated across countries on an annual basis, including desired family size, # of new or improved contraceptive at various stages of devlopment, and # of policies in place. Individual missions report annually on their performance against mission-set goals, often using CPR or CYP and other performance measures. GH and missions also collect information from program partners for ongoing monitoring of program performance and annual budget allocation purposes.	25%	0.0
2	*Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?*	Yes	In the Agency personnel evaluation process, project managers are evaluated for effective management of agreements; staff who serve as point-persons for country programs (called Country Coordinators) are assessed against their contributions to a mission team. Input is sought from supervisors, peers, and clients on performance against these criteria as part of the annual evaluation process. Partners are rewarded for performance either directly through award fees (POLICY & CMS) or through budget allocation by GH and missions.	Work objectives in employee work plans are tied to the employee's role in the organzation. Among other areas, project managers are evaluated against the quality of technical guidance provided to contractors and grantees and their management of financial and human resources. Country coordinators are assessed against criteria appropriate to the stage of the country program; for example, contribution to a new country strategy or assistance in ensuring that country resources are appropriately allocated to agreements managed by AID/W if the mission chooses to program its funds that way. Award-fee contracts reward performance with additional fee for exemplary performance in categories such as results, quality, timeliness, management, cost control, and collaboration. Project pipelines factor into annual budget decisions. For example, in FY2001, the Office of Population obligated no core funds to its PASA with CDC because of CDC's sizeable unspent pipeline.	25%	0.3

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	*Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?*	Yes	(a) The Agency has obligated nearly all its population funds in the same year the funds were made available; it has issued guidance on the use of population funds to help ensure that funds are spent for their intended purpose; (b) the Agency regularly audits contracts and grants to assure the funds are spent for the object class, but does not systematically review expenditures for appropriate use of funds for meeting objectives. Because they can visit service sites and training sessions, it is easier for mission staff than for AID/W staff to assess whether funds are being spend for the intended purpose.	The Agency has successfully obligated its population funds in the same year as appropriated, with rare exceptions (e.g., in 2000 only funds that were on hold for the CARE endowment ($2.7m) was carried forward into FY01 and in 2001 only ESF funds for Cambodia ($750k) was carried forward. Across these two years, less than $4m was carried forward out of a total of $797.5m available for population programs (about 1/2 of one percent). The Agency issued guidance on the use of population funds to help ensure that funds are spent for their intended purpose.	10%	
4	*Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?*	No	The Agency has not identified systematic approaches through U.S. based contracts and grants that ensure maximum use of indigenous organizations and experts to implement programs in a sustainable manner. Efficiency and productivity gains are not generally part of contracts and grant agreements. However, the Agency implements much of its program through competitively-awarded mechanims, and usually makes awards on the basis of "best value" to the government; has empowered its frontline managers to make program decisions; has pursued increased efficiencies by consolidating projects (fewer/more easily managed) that work across health sectors; has focused on improving use of info technology through IT & Materials Working Group that places a premium on information/technology sharing & transfer (subject of upcoming CAs meetings).	Close to 60% of the Agency's $450M population budget flows through contracts and grants administered through the Bureau for Global Health. Of this total, 71% was obligated into competitively-awarded contracts and cooperative agreements. Non-competitive awards tend to be those for activities with other government agencies (i.e., CDC, BuCen) and biomedical research. With the exception of support to governments, the majority of bilateral awards are also competitive.	5%	0.0
5	*Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?*	No	Although the agency has made progress in the allocation of administrative costs, they are still unable to fully account for headquarters costs or allocate down to the individual program level. In addition, to date, the information has simply been used to highlight missions with either extraordinarily high or low operating expense to program ratios rather than as a direct factor in decisions regarding program funding.	Status Report on Operating Expenses, Managerial Cost Accounting Report	5%	0.0
6	*Does the program use strong financial management practices?*	No	Although the agency has made progress in achieving a qualified financial audit opinion for FY 2001, it continues to not meet basic Federal financial management requirements. In addition, it has not yet implemented a compliant financial management system for its field missions.	USAID Inspector General's audit report for FY 2001.	5%	0.0

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
7	*Has the program taken meaningful steps to address its management deficiencies?*	No	The Agency has centralized its budget function in PPC and is reviewing its approach to country allocations; it has only recently issued guidance on appropriate uses of population funds and programs have yet to be audited systematically; it has begun to explore ways of rewarding sustainability within its agreements. This has not yet resulted in a significant shift of funds to countries with the greatest deficits in the three long-term goal areas.	Reorganization Memo #1 moves the Agency's budget function from the Management Bureau to PPC. Analyses of the relationship between need and funding levels have been undertaken and are being discussed with the Administrator as part of the Bureau Budget and Program Submission (BPBS) process.	5%	0.0
8 (Co 1.)	*Are grant applications independently reviewed based on clear criteria (rather than earmarked) and are awards made based on results of the peer review process?*	Yes	With very few exceptions, USAID awards are competitively procured with awards made on the basis of a technical panel's evaluation of proposals based on clear selection criteria, included in the request for proposals. Most awards are judged against the following broad criteria: program design and performance monitoring, institutional capacity and past performance, personnel capability and experience. Bidders are informed of the relative weight of each category and the elements within it towards the total score. Bidders' cost proposals are separately evaluated by USAID's Office of Procurement. In the population sector, most RFAs/RFPs state how much money the Agency plans to obligate for the activity being competed, effectively eliminating "low-ball" bids and allowing the technical panel to assess cost-effectiveness.	Examples of specific criteria from a recent competitively-awarded cooperative agreement include: "Does the proposal reflect understanding of USAID and the needs of the Bureau for Global Health sector? Does the proposal provide adequate evidence of innovation and understanding of the evidence/science base of health communication including field experience and data? Does the proposal suggest credible and realistic performance results? What evidence is there that the applicant and this/these organization(s) have managed and implemented a large global project int he PHN or related development sector, and performed well? The personnel capability will include examination of the multidisciplinary technical expertise in health communication, population, health sciences and development..."	5%	0.1
9 (Co 2.)	*Does the grant competition encourage the participation of new/first-time grantees through a fair and open application process?*	Yes	USAID requests for proposals are open and announced on the Agency website in addition to the CBD announcement.	While competition is open, few first-time bidders win awards as primes, because of the size of the awards; first-time awardees are more prominent in smaller procurements; trend has been toward larger procurements given the management efficiencies.	5%	0.1
10 (Co 3.)	*Does the program have oversight practices that provide sufficient knowledge of grantee activities?*	Yes	USAID provides close monitoring of its agreements, through annual workplan reviews, management reviews, site visits, briefings, results reporting and financial reviews.	USAID's Automated Directive System (ADS) requires Cognizant Technical Officers (CTOs) of cooperative agreements to "monitor and evaluate the recipient's performance [through site visits, reviewing and analyzing performance, assuring compliance with the terms and conditions of the award...]; evaluate...program effectiveness at the end of the program; and perform other duties as may be requested or as delegated by the Agreement Officer." CTO responsibilities for contract oversight are articulated in each contract.	5%	0.1

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
11 (Co 4.) *Does the program collect performance data on an annual basis and make it available to the public in a transparent and meaningful manner?*	No	USAID collects performance data from partners on at least an annual basis and uses it to assess impact and manage its programs. While the information it collects is not shared publicly, its cooperating agencies [CAs] make the results of their USAID-assisted activities widely available through the web and other channels.	All CAs maintain websites highlighting their project activities and accomplishments. Many CAs, particularly those undertaking biomedical and operations research, publish their work in peer-reviewed journals, and USAID supports the Johns Hopkins media center to serve as a repository of communication tools and media materials. All of these formats are accessible to the public. CAs are also required to submit copies of all publications to USAID's Clearinghouse for Development Information and Experience (CDIE).	5%	0.0
Total Section Score				**100%**	**40%**

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score

Section IV: Program Results (Yes, Large Extent, Small Extent, No)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
k	*Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?*	Yes	USAID's population program has demonstrated marked progress in meeting its goals.	Evidence is from USAID mission and GH Annual Reports and from the Annual Performance Plan, which responds to GPRA.	40%	0.4

Long-Term Goal I:	Reducing the number of unintended pregnancies, and thereby fertility.
Target:	Total Fertility Rate (TFR) reduced by 20 percent between 1998 and 2007, from 4.2 to 3.3 among 43 countries receiving over $1m.
Actual Progress achieved toward goal:	Between 1992 and 2001, the number of countries with TFR greater than 5 decreased from 17 to 10 and the number with TFR under 3 increased from 6 to 12 in 43 assisted countries with available data.
Long-Term Goal II:	Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth.
Target 2:	Maternal mortality ratio reduced by 10 percent between 1998 and 2007.
Actual Progress achieved toward goal:	Between 1990-94 and 1995-00, the numer of countries having over half of births attended by medically-trained personnel increased from 6 to 8 among 13 countries receving more than $500k in maternal health assistance.
Long-Term Goal III:	Reducing infant and child mortality.
Target:	Morality rates for infants and children under the age of 5 reduced by 25 percent between 1998 and 2007.
Actual Progress achieved toward goal:	Between 1992 and 2001, the number of countries with under-5 mortality rates greater than 150 declined from 18 to 12 and the number with under-5 morality less than 50 increased from 6 to 17 in 49 countries receiving at least $1m in child survival funds.

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
2	*Does the program (including program partners) achieve its annual performance goals?*	Yes	USAID's population program has achieved its annual performance goals for the most recent reporting period.	Evidence is from USAID mission and GH Annual Reports and from the Annual Performance Plan, which responds to GPRA.	40%	0.4

Key Goal I:	Modern Contraceptive Prevalence Rate (CPR) increased by 1 point in latest reporting year.
Performance Target:	Modern CPR increases to 45.1 in 2005 from 40.6 in 2000 among 54 countries receiving population assistance.
Actual Performance:	Modern CPR increased from an average of 32.1 in 1995 to 40.6 in 2000 among women in union across 54 countries for which data are available. [Note 1: Achieving this goal becomes more difficult over time because there are countries that have graduated from assistance over this period -- and so do not have the benefit of USAID's investment and are already at high levels of CPR where 1 point increases are more difficult to attain. Note 2: An additional target was considered, "unmet need for family planning reduced in high HIV prevalence countries", but Agency reporting systems do not allow inclusion at this time -- see Section 2.2.]
Key Goal II:	Reduce maternal mortality due to abortion through family planning and post-abortion care.
Performance Target:	Annual 1.5 point reduction in unsatisfied demand (unmet need) for family planning in assisted countries.
Actual Performance:	Unmet need reduced by 6 points, on average, over a five-year period among 34 countries that have had two data points for tracking change in unmet need. [Note 1: These are simple and not weighted averages. Note 2: An additional target was considered, "abortions reduced through increased use of family planning", but Agency reporting systems do not allow inclusion at this time -- see Section 2.2.]
Key Goal III:	Reduce infant and child mortality through healthy birth-spacing.
Performance Target 1:	Percent of births under 2 years spacing reduced in assisted countries.
Actual Performance:	Percent of births less than two years declined by an average of 7 points, on average, over a five-year period among 34 countries that have had two data points for tracking change. [Note: these are simple averages, the average length between surveys need to be verified.]
Performance Target 2:	Percent of first births to women under age 18 reduced in assisted countries.
Actual Performance:	Percent of women (as reported by surveyed respondents age 15-24) reporting their first births to have occured at an age less than 18 declined by 1.7 points, on average, over a five-year period among 34 countries that have had two data points for tracking change. [Note: these are simple averages, the average length between surveys need to be verified.]
Performance Target 3:	Percent of births that are parity 5 or higher reduced in assisted countries.
Actual Performance:	Percent of births that are parity 5 or higher declined by 12.3%, on average, over a five-year period among 29 countries that have had two data points for tracking change. [Note: these are simple averages, the average length between surveys need to be verified.]

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	*Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?*	Small Extent	Commodity procurement has benefited from competition; for other parts of the population program, unit costs are more difficult to measure and compare across various organizations and service delivery systems and components.	USAID receives low commodity prices through Agency-wide, pooled procurement and through competition. Condom procurement has has benefited from competitive sourcing and economies of scale as evidenced by the recently procured price of 3.5 cents per condom, down from a high of over 7 cents.	10%	0.0
4	*Does the performance of this program compare favorably to other programs with similar purpose and goals?*	n/a	There are no other US government programs that work in this field.		0%	
5	*Do independent and quality evaluations of this program indicate that the program is effective and achieving results?*	Yes	Independent evaluations of USAID's family planning programs at the country level have demonstrated their impact and effectiveness. Although, as noted in Part II.Q5, evaluations are not program-wide, the Agency does regularly evaluate most of its activities. Because it has a system for annual results reviews and reports, evaluations are no longer required for every project. Rather, evaluations now more often encompass multiple related projects/activities and provide a more comprehensive picture of program accomplishments than earlier project-by-project evaluations provided.	Recent evaluations have examined the impact of USAID family planning (FP) assistance in Morocco over 30 years, Turkey over 12 years, and Brazil over eight years. The Morocco evaluation notes that "the collaboration between the MOH and USAID led to important results in FP indicators. [CPR]...rose from less than 20% in 1979-80 to 59% in 1997. [TFR] decreased dramatically from 7.0 children in 1979-80 to 3.1 children in 1997." (p.iv) The Turkey assessment notes accomplishments ranging from developing strategies for women's health and FP to securing contraceptives to strengthening training systems, to improving access and method choice, to monitoring and evaluation. The Brazil assessment notes that "USAID's program produced a number of significant achievements, many of which warrant replication throughout the country." (p.20)	10%	0.1
Total Section Score					**100%**	**93%**