



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

August 29, 2008

M-08-25

TO: OMB PROGRAM ASSOCIATE DIRECTORS
OMB PROGRAM DEPUTY ASSOCIATE DIRECTORS
AGENCY PROGRAM IMPROVEMENT OFFICERS
CHIEF FINANCIAL OFFICERS

FROM: Robert Shea
Associate Director for OMB Administration and Government Performance

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Deputy Controller, Office of Federal Financial Management

SUBJECT: Guidance for Completing FY 2008 Financial and Performance Reports.

1. Purpose. This memorandum provides agencies and OMB Resource Management Offices (RMOs) with guidance for completing the Budget, Performance, and Financial Snapshot; the Citizens' Report; and the Annual Performance Report. The transition to a new Administration in FY 2009 requires temporary adjustments to our reporting structure for Performance and Accountability Report (PAR) pilot agencies. The documents at issue will be the Annual Performance Report (APR) and the Citizens' Report which will contain data from the APR. Since pilot agencies incorporate their APR into their congressional justification, they will need to update their APRs to include FY 2010 performance targets which will be submitted with the FY 2010 budget by the next President.

2. Background. Several agencies participated in a PAR pilot and completed the Highlights document in FY 2007. Pilot agencies explored different formats for enhancing the presentation of financial and performance information to make it more meaningful and transparent to Congress and the public.

3. Scope. Based on inter-agency working group feedback and consultation with stakeholders, we intend to initiate further improvements to performance and financial reporting in FY 2008. A three-tiered drill down reporting structure will allow agencies to provide information that is easily accessible to a diverse set of readers and stakeholders:

- A two-page **Budget, Performance and Financial Snapshot**. This "Snapshot" will provide the reader with a quick picture of agency mission, organization, performance and financial results, and plans for the future. This will be required from all PAR pilot agencies and CFO Act agencies including those not participating in the pilot. Hyperlinks in the Snapshot serve as a gateway into agencies detailed performance and accountability information. All hyperlinks must work by the January release date. In addition, OMB

will assemble all Snapshots into an integrated Government-Wide Performance Results Report.

- A 25-page **Citizens' Report** (formerly called "Highlights"). The Citizens' Report will provide a summary of agency mission, key goals, how funds are spent, performance relative to goals, and actions they plan to take to build on successes or address shortcomings. PAR pilot agencies must submit a Citizens' Report. Non-pilot agencies are strongly encouraged, but not required to produce a Citizens' Report. The two-page Snapshot will be included in, and published at the beginning of the Citizens' Report in an executive summary fashion. The combined reports will not exceed 25 pages.
- A comprehensive **Agency Financial Report (AFR)** and **Annual Performance Report (APR)** which provide complete details on relevant financial and performance results. Agencies not participating in the pilot will continue to submit a consolidated PAR. Pilot agencies will publish their APRs later, but before the end of the Administration. See dates below for the APR.

4. Required Actions. The production of the Snapshot, Citizens' Report, AFR and APR is a collaborative process involving agencies' Program Improvement Officers and Chief Financial Officers as well as OMB RMO, Office of Federal Financial Management (OFFM), and Performance and Personnel Management (PPM) staff.

Budget, Performance and Financial Snapshot

- **August 18:** Reporting and Transparency Working Group beta test Snapshot tool.
- **August 29:** OMB provides agencies with the web-based Snapshot tool and the guidance for entering data into the tool. Agencies begin entering data into the Snapshot.
- **December 1:** Agencies complete and submit draft Snapshot to OMB RMOs.
- **December 15:** Finalize Snapshot.

Performance and Accountability Report (Non-pilot agencies)

- **November 3:** *Non-pilot* agencies include their draft APR in their Performance and Accountability Report and submit the PAR using the MAX Federal Community (located at <https://max.omb.gov/community/x/LYA-C>).
- **November 17:** *Non-pilot* agencies submit AFR using the MAX Federal Community (located at <https://max.omb.gov/community/x/LYA-C>).

Annual Performance Report (Pilot agencies)

- **January 2:** *Pilot* agencies submit their draft APR using the MAX Federal Community (located at <https://max.omb.gov/community/x/LYA-C>).
- **By January 15:** Finalize APR.

Annual Financial Report

- **November 3:** *Pilot* agencies submit their draft AFR using the MAX Federal Community (located at <https://max.omb.gov/community/x/LYA-C>).
- **November 17:** *Pilot* agencies submit AFR using the MAX Federal Community (located at <https://max.omb.gov/community/x/LYA-C>).

Citizens' Report

- **January 2:** Agencies submit their draft Citizens' Report using the MAX Federal Community (located at <https://max.omb.gov/community/x/LYA-C>).
- **By January 15:** Finalize Citizens' Report.

Government-wide Performance Results Report

- **January:** OMB publishes the Government-wide Performance Results Report.

5. Inquiries. OMB RMOs with questions about this guidance should contact Pat Harris (5-5018) or Regina Kearney (5-0786). RMOs should contact James Hurban with technical questions about the web-based Snapshot tool. Agency staff should contact their OMB RMO and OFFM counterparts.

Attachment A: Mock-up FY 2008 Snapshot

Attachment B: List of FY 2008 pilot agencies and consolidated PAR agencies



UNITED STATES DEPARTMENT OF STATE

Budget, Performance, and Financial Snapshot

Fiscal Year 2008

Who We Are

Mission: The Department of State (DOS) is the lead institution for the conduct of American diplomacy. The Secretary of State is the President's principal foreign policy advisor and works with the United States Agency for International Development (USAID) to transform the world through diplomacy and development. ([Embed hyperlink to strategic plan here](#))

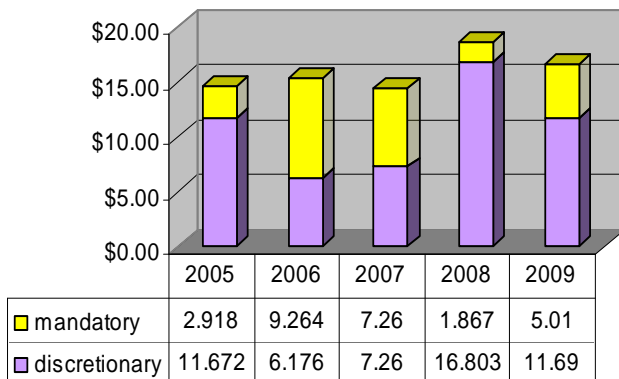
Organization: The Department's mission is carried out by six regional bureaus, the Bureau of International Organization Affairs, and numerous functional and management bureaus. The Department has an extensive worldwide presence, with 260 embassies, consulates, and other posts worldwide. ([Embed hyperlink to org chart here](#))

Personnel: The Workforce Composition is comprised of: the Foreign Service (11,000 employees- 20%), the Civil Service (8,000 employees- 14%) and the Locally Engaged Staff at overseas posts (more than 37,000- 66%) together working to implement U.S. foreign policy and achieve the Department's 7 strategic goals. ([Embed hyperlink to HR page, USAJobs etc...](#))

Budgetary Resources: The budgetary resources for FY 2008 totaled \$30.9 billion or \$103 per taxpayer.

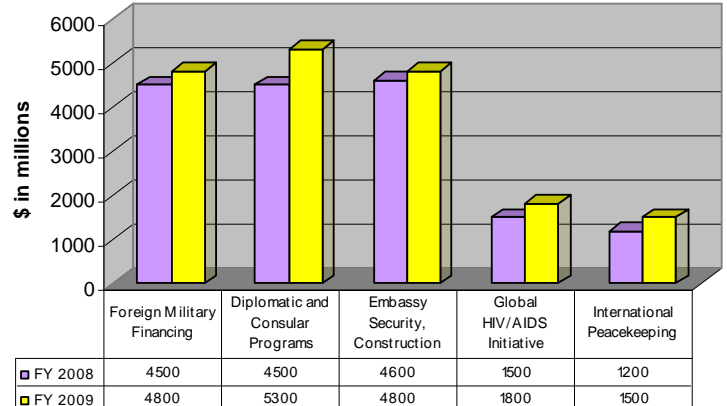
Budget Snapshot

Appropriations FY 2005-2009



\$ in millions

Top 5 Programs by Budget



Performance Snapshot

Accomplishments: In FY 2007, the Department led the "civilian surge" component of President Bush's "New Way Forward" strategy, more than doubling the Provincial Reconstruction Team presence in Iraq; established a foundation for peace in the Middle East by advancing bilateral talks with the new Palestinian Authority government; and committed the U.S. to strengthening energy security and address climate change at home and abroad by becoming fully engaged in the United Nations Framework Convention on Climate Change.

Challenges: To focus on prioritizing non-consular issues in the operations of border posts by providing posts with the staff and attention to coordinate on U.S. business interests, environmental safety, quality of life and border security and a long term challenge for the Department is to increase public diplomacy officers' foreign language capabilities.

Financial Snapshot

Clean Opinion on Financial Statements	No
Timely Financial Reporting	No
Material Weaknesses	2
Improper Payment Rate	1.2%
Total Assets	\$45.2
Total Liabilities	\$19.8
Net Cost of Operations	\$13.6

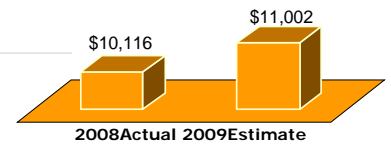
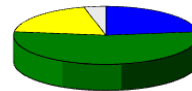
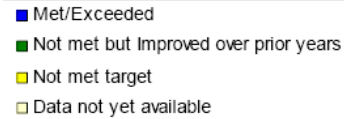
\$ in billions

Note: Additional information on Federal spending can be found at <http://www.usaspending.gov/index.php>. Additional information on the performance of Federal programs can be found at <http://www.whitehouse.gov/omb/expectmore/> and at <http://www.state.gov/s/d/rm>

Summary of State Operations and Foreign Assistance Performance Ratings for FY2008

FY 2008 Performance Results per Strategic Goal

Budget per Strategic Goal (\$ in millions)



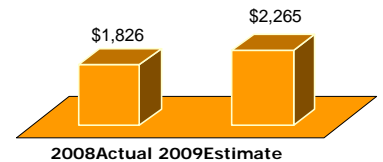
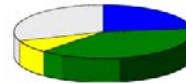
Strategic Goal: Achieving Peace and Security

To strengthen the capability of the U.S. Government and of international partners to prevent or mitigate conflict, stabilize countries in crisis, promoted regional stability, protect civilians, and promote the just application of government and law.

Performance Measure*	2006 Results	2007 Results	2008 Target	2008 Results	2008 Results	2009 Target
Number of U.S. Trained Personnel at National Leadership Levels	N/A	N/A	608	958	Exceeded	1,297

Strategic Goal: Governing Justly and Democratically

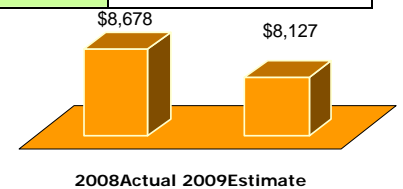
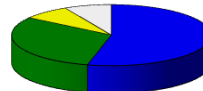
Promote and strengthen effective democracies and move them along a continuum toward democratic consolidation.



Performance Measure*	2006 Results	2007 Results	2008 Target	2008 Results	2008 Results	2009 Target
Number of Domestic Election Observers Trained	N/A	N/A	57,825	53,258	Not met	27,536

Strategic Goal: Investing in People

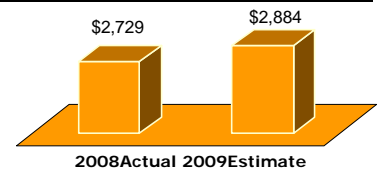
Focus on improving the lives of individual citizens by extending the basic values American citizens hold dear: good health; access to quality education; and protection for vulnerable populations.



Performance Measure*	2006 Results	2007 Results	2008 Target	2008 Results	2008 Results	2009 Target
Cumulative Number of People Receiving HIV/AIDS Treatment in the 15 Focus Countries of PEPFAR	401,233	822,000	1.2 million	1.35 million	Exceeded	1.7 million

Strategic Goal: Promoting Economic Growth and Prosperity

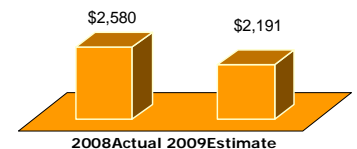
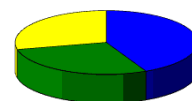
Achieve rapid, sustained, and broad-based economic growth for the United States, its trading partners, and developing countries.



Performance Measure*	2006 Results	2007 Results	2008 Target	2008 Results	2008 Results	2009 Target
Percent of U.S. Assisted Microfinance Institutions	71%	71%	70%	69%	Not met	70%

Strategic Goal: Providing Humanitarian Assistance

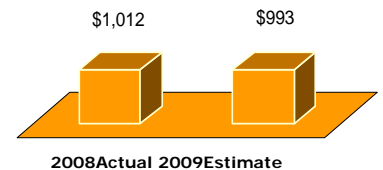
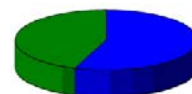
Providing protection, assistance, and solutions; preventing and mitigating disasters; and promoting orderly and humane means for migration management.



Performance Measure*	2006 Results	2007 Results	2008 Target	2008 Results	2008 Results	2009 Target
Percent of Refugees Admitted to the U.S. compared to the Regional Ceilings	108%	69%	100%	97%	Not met	100%

Strategic Goal: Promoting International Understanding

Through engagement, assistance, and dialogue, foster a two-way flow of people, ideas, and information—a process defined by mutual learning and



Performance Measure*	2006 Results	2007 Results	2008 Target	2008 Results	2008 Results	2009 Target
Percent Reduction in the Level of Anti-American Sentiment	N/A	N/A	17%	17%	Not met	18%

* The measure selected is one of many that represent each strategic goal.

ATTACHMENT B

Agencies Participating in FY 2008 PAR Pilot

1. Office of Personnel Management	7. Small Business Administration
2. Department of Energy	8. U.S. Agency for International Development
3. Department of State	9. Department of Homeland Security
4. Department of Health and Human Services	10. Federal Labor Relations Authority
5. Department of Defense	11. Denali Commission
6. National Science Foundation	12. Corporation for National and Community Service

Agencies Producing an FY 2008 Consolidated PAR

1. *Department of Labor	9. *Department of Veterans Affairs
2. *Department of Interior	10. *General Services Administration
3. *Department of Education	11. *Department of Agriculture
4. *Environmental Protection Agency	12. *Department of Commerce
5. *Nuclear Regulatory Commission	13. *Department of Justice
6. *Department of Housing and Urban Development	14. Department of Transportation
7. National Aeronautics and Space Administration	15. Social Security Administration
8. *Department of Treasury	

** indicates PAR agencies that will produce an FY 2008 Citizens' Report.*