



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF **MANAGEMENT** AND BUDGET
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Testimony of the Honorable Clay Johnson III
Deputy Director for Management
Office of Management and Budget

before the

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Government Information and International Security
Committee on Homeland Security and Governmental Affairs

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I contend that agencies are better managed and achieving greater results today with the help of the President's Management Agenda, but the opportunities for improvement are great.

We want programs to work. We want to spend taxpayers' money better every year. We want to make sure that the taxpayers get what they expect.

One of our primary instruments for achieving this goal is the Program Assessment Rating Tool (PART). We use the PART to assess the performance of all Federal programs and to guide the action to improve their performance.

With the PART, we are assessing programs to find out what works and what doesn't. We ask of every program:

- Does it have a clear definition of success, and is it designed to achieve it?
- Are its goals sufficiently outcome-oriented and aggressive?
- Is it well managed?
- Does it achieve its goals?

In order for a program to be effective, it must have a clear definition of success and measures to determine whether it is achieving it. Each program assessed with the PART is required to develop clear, outcome-oriented goals and targets for improving both performance and efficiency. PART analysis also helps identify a program's strengths and weaknesses. In response to its PART assessment, a program identifies the specific steps it will take to improve its performance or overcome things that inhibit its performance. Under this model, all programs, both high and low performers, commit to improving each year.

We have already begun to see success. As agencies have become better at demonstrating and focusing on results, PART ratings have improved. The percentage of programs rated Effective, Moderately Effective or Adequate rose from 57% in 2003 to 67% in 2005. The percentage of programs rated Ineffective or Results Not Demonstrated fell from 43% in 2003 to 33% in 2005.

The Administration is committed to holding ourselves – agencies and programs -- accountable to the American people for achieving results. One way we do this is through the transparency of the PART process. Currently, anyone can see the all completed PART questions and answers online at OMB's website. We will also design a new website to more clearly communicate to the American people what programs are working, which ones are not, and what we are doing to make those programs better.

We also need to involve Congress more directly in holding agencies and programs accountable for their performance through a Sunset Commission, which provides regular, formal scrutiny of Federal programs. This bipartisan commission would review each Federal program on a schedule established by the Congress to determine whether it is producing results and should continue to exist. Programs would automatically terminate according to the schedule unless the Congress took action to continue them.

The Administration's efforts to get more results for the American people are not only aimed at programs; they are behind the Administration's effort to modernize the Federal Government's personnel system. The Administration will soon propose legislation to, among other things, ensure employees are recognized and rewarded for their performance relative to mission-relevant goals, rather than longevity. It will require managers to ensure everyone clearly understands what is expected of them, how they are performing relative to those expectations, and how they can grow professionally and become even more effective each year. Continuous program performance improvement is possible with such personnel reforms.

Many programs don't achieve their intended results because they are hampered by uncoordinated programs designed to achieve the same or similar goal. That is why the Administration proposes the enactment of Results Commissions, which would review Administration plans to consolidate or streamline programs that cross departmental or congressional committee jurisdictional lines to improve performance and increase efficiency. Ordinarily, programs that cross such boundaries often are not subject to the usual performance review process, resulting in inefficiencies, lost opportunities, or redundancies. Results Commissions, made up of experts in relevant fields, would be established as needed to review consolidation proposals. The Congress would consider the Commission's recommendations through expedited review authority.

The Administration has set a goal to reduce the deficit in half over the next five years and is working to stop growth in non-defense, non-homeland discretionary spending. In this context, it is even more imperative that we invest our resources in those programs that are performing well and those which hold the promise of performing well with reform.

When we find that tax dollars can be invested with better result in another program, it is our responsibility to propose it. PART ratings of "Ineffective" or "Results Not Demonstrated" were a major factor in the decision to propose a number of reforms as well as the termination or reduction of 29 programs. For instance:

HOPE VI – The program was originally designed to address 100,000 of the severely distressed public housing units in the Nation's urban neighborhoods. Through 2004, 117,000 units have been demolished and HUD has approved the future demolitions of almost 50,000 more. The PART assessment found the program to be more costly than others and to take too long to produce results. So the budget redirects the funds other HUD programs.

Juvenile Accountability Block Grants – Other than anecdotal information, there is little evidence the program reduces juvenile crime. The Administration proposes to redirect the program's funds to other higher priority law enforcement programs.

Migrant and Seasonal Farm Worker Training Program – The PART assessment found that about 60 percent of participants receive no training and instead receive only low-cost supportive services that other Federal programs also finance. The Administration proposes to terminate the program, as it duplicates existing programs, does not focus sufficiently on job training, and has poor performance accountability for grantees.

Just because we propose to terminate a program like the Safe and Drug Free Schools State Grants program doesn't mean we don't want safe and drug free schools. In fact, it is because we care so much about having safe and drug free schools, and independent evaluations show that the program doesn't help us achieve that, we propose to invest the program's dollars instead in a program that will hold grantees accountable for spending the money in areas with the greatest need on activities that have proven successful.

We want programs to work. The PART helps us find out whether a program is working or not and, if not, what to do about it. In some cases, it may be that a program is such a low priority or performs so poorly that that program's funds should be allocated elsewhere. It is our responsibility to convince Congress we are right. If we are successful, the result will be more programs achieving the intended results on behalf of the American people.
