

STATEMENT OF SENATOR TOM COBURN
Chairman, Subcommittee on Federal Financial Management, Government
Information, and International Security

June 14, 2005

This year, the federal government is expected to spend roughly \$2.5 trillion, which means that more than \$22,000 *per American household* will be used to fund the various activities of the government. That's a lot of money. While the first hearing of this Subcommittee focused broadly on the President's Management Agenda, or PMA, today we will more specifically discuss efforts to increase accountability in federal budgeting.

As part of the PMA, OMB released in 2003 the Program Assessment Rating Tool, or PART. Used to evaluate the design, goals, and performance of federal programs, PART seeks to find ways to ultimately improve overall performance through the format of a basic questionnaire. Thus far, PART has been used to evaluate 607 programs, or roughly 60 percent of the federal budget. Of these 607 programs, 15 percent have been rated effective; 26 percent moderately effective; 26 percent adequate; 4 percent ineffective; *and 29 percent could not demonstrate results.*

That last number is a problem, as it suggests that nearly one-third of our budget is spent on programs that cannot demonstrate results.

We'll also discuss today the latest iteration of OMB's Scorecard, which is a set of quarterly grades for each federal agency. Ratings of red, yellow, and green are given to each agency for each of five initiatives: human capital, competitive sourcing, financial performance, e-government, and budget and performance integration. Ratings are given for both current status and progress in implementing the PMA. When the first Scorecard was issued in June 2002, only 4 agencies received yellow current status ratings for budget performance and integration, while the remaining 22 agencies all received red ratings. In the latest Scorecard, 6 agencies have red ratings, 12 have yellow ratings, and 8 have green current status ratings for budget performance and integration. While the latest scores are encouraging, they also demonstrate that we still have a lot of work to do.

As part of the President's Budget proposal for fiscal year 2006, OMB released a list of roughly 150 discretionary programs for which it proposed either reduced funding or complete termination. The termination of many of these programs has been proposed before. For example, OMB proposed the termination of the Advanced Technology Program four separate times. The termination of earmarks for the Centers for Disease Control and Prevention was proposed not only for fiscal year 2006, but for fiscal years 2002, 2003, 2004, and 2005 as well. The termination of the program for Community Technology Centers has also been proposed six separate times.

It is absolutely stunning that we continue to fund programs that time after time, year after year, completely fail to produce positive results. I hope we'll hear substantive proposals today to either terminate or measurably reform these programs.

We are pleased to have with us today representatives from both government and academia. On our first panel, the Honorable David Walker, Comptroller General of the Government Accountability Office, and the Honorable Clay Johnson, III, the Deputy Director for Management at the Office of Management and Budget will give us their perspectives on efforts to increase accountability and improve results in federal budgeting.

We are also privileged to have on our second panel Eileen Norcross, a Research Fellow with George Mason University and the Mercatus Center, and Beryl Radin, a Professor of Government and Public Administration at the University of Baltimore. They will both give us a helpful non-governmental perspective on the effect of government accountability efforts.