



Highlights of [GAO-04-439T](#), a testimony before the Subcommittee on Government Efficiency and Financial Management, Committee on Government Reform, House of Representatives.

Why GAO Did This Study

The Office of Management and Budget's (OMB) Program Assessment Rating Tool (PART) is meant to provide a consistent approach to evaluating federal programs during budget formulation. The subcommittee asked GAO to discuss our recent report, *Performance Budgeting: Observations on the Use of OMB's Program Assessment Rating Tool for the Fiscal 2004 Budget* ([GAO-04-174](#)) and strategies for improving PART and furthering the goals envisioned by the Government Performance and Results Act of 1993 (GPRA).

What GAO Recommends

In our recent report on PART we recommended that the Director of OMB (1) address the capacity demands of PART, (2) strengthen PART guidance, (3) address evaluation information scope and availability issues, (4) focus program selection on critical operations and crosscutting comparisons, (5) expand the dialogue with Congress, and (6) articulate and implement a complementary relationship between PART and GPRA.

OMB generally agreed with our findings, conclusions, and recommendations and said it is already taking actions to address many of our recommendations.

We also suggested that Congress consider the need for a structured approach to articulating its perspective and oversight agenda on performance goals and priorities for key programs.

www.gao.gov/cgi-bin/getrpt?GAO-04-439T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Paul Posner at (202) 512-9573 or posnerp@gao.gov.

PERFORMANCE BUDGETING

OMB's Program Assessment Rating Tool Presents Opportunities and Challenges For Budget and Performance Integration

What GAO Found

PART helped structure OMB's use of performance information for internal program and budget analysis and stimulated agency interest in budget and performance integration. Moreover, it illustrated the potential to build on GPRA's foundation to more actively promote the use of performance information in budget decisions. OMB deserves credit for inviting scrutiny of its federal program performance reviews and sharing them on its Web site.

Much of PART's potential value lies in its program recommendations but follow through will require sustained commitment by agencies and OMB. OMB devoted considerable effort to developing PART, but diagnosing problems and rating programs are only the beginning of PART's ambitious agenda. Implementing change and providing oversight takes time; OMB needs to be mindful of this as it considers capacity and workload issues in the PART.

As is to be expected in the first year of any reform, PART is a work in progress and we noted in our report where OMB might make improvements. Any tool that is sophisticated enough to take into account the complexity of the U.S. government will require exercising some judgment. Therefore it is not surprising that we found inconsistencies in OMB staff interpreting and applying PART.

PART provides an opportunity to more efficiently use scarce analytic resources, to focus decision makers' attention on the most pressing policy issues, and to consider comparisons and trade-offs among related programs by more strategically targeting PART assessments based on such factors as the relative priorities, costs, and risks associated with related clusters of programs and activities. PART assessments underscored long-standing gaps in performance and evaluation information throughout the federal government. By reaching agreement on areas in which evaluations are most essential, decision makers can help ensure that limited resources are applied wisely.

The relationship between PART and the broader GPRA strategic planning process is still evolving. Although PART can stimulate discussion on program-specific performance measurement issues, it is not a substitute for GPRA's strategic, longer-term focus on thematic goals, and department- and governmentwide crosscutting comparisons. Although PART and GPRA serve different needs, a strategy for integrating the two could help strengthen both.

Federal programs are designed and implemented in dynamic environments where competing program priorities and stakeholders' needs must be balanced continually and new needs addressed. PART clearly serves OMB's needs but questions remain about whether it serves the various needs of other key stakeholders. If PART results are to be considered in the congressional debate it will be important for OMB to (1) involve congressional stakeholders early in providing input on the focus of the assessments; (2) clarify any significant limitations in the assessments and underlying performance information; and (3) initiate discussions with key congressional committees about how they can best leverage PART information in congressional authorization, appropriations, and oversight processes.