

CIRCULAR NO. A-11

PART 6

PREPARATION AND SUBMISSION OF STRATEGIC PLANS, ANNUAL PERFORMANCE PLANS, AND ANNUAL PROGRAM PERFORMANCE REPORTS



**EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET**

AUGUST 2012

SECTION 200—OVERVIEW OF THE FEDERAL PERFORMANCE FRAMEWORK

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Summary of Changes

Summarizes Federal performance framework as outlined by the GPRA Modernization Act and establishes accountability expectations

Updates the roles and responsibilities of agency leadership, previously published in [Memo-11-31](#)

Updates overall performance planning and reporting timeline and some definitions

200.1 To which agencies does A–11 Part 6 apply?

In Part 6 of this Circular, [agency](#) is defined by section 306(f) of title 5, which includes executive departments, [government corporations](#), and independent establishments but does not include the Central Intelligence Agency, the Government Accountability Office, the Panama Canal Commission, the United States Postal Service, and the Postal Regulatory Commission. The Legislative Branch and the Judiciary are not subject to these requirements. In cases where sections of Part 6 guidance are applicable only to a subset of executive departments, government corporations, and independent establishments, the introduction of each section will specify to which subset of agencies the guidance applies.

Except for statutory exemption, agencies are required to submit Strategic Plans, Annual Performance Plans, and Annual Performance Reports to the President, Congress and OMB in accordance with these instructions. OMB may exempt independent agencies with \$20 million or less in annual outlays from the

requirements for a Strategic Plan, Annual Performance Plan, and Annual Performance Report. The GPRA Modernization Act does not authorize any exemption of a [component](#) of a department or independent agency, such as a bureau or office that annually spends \$20 million or less.

Organizational [components](#) of agencies are not considered independent establishments or separate from executive departments, rather are a part of them. Therefore, agency components are not defined as an agency in the GPRA Modernization Act or in this guidance. Agencies subject to this guidance should work with their components to implement the GPRA Modernization Act in a manner that is most useful to the whole organization. Agencies are expected to work with their components to identify priorities, goals, performance indicators, and other indicators relative to the mission and strategic objectives of the agency.

OMB Circular A–11 Part 6 addresses the implementation of the GPRA Modernization Act; however, OMB will continue to provide supplemental guidance, if needed.

200.2 What other laws or policies are relevant to Part 6 of OMB Circular A–11?

Aside from the Government Performance and Results Act of 1993 and the GPRA Modernization Act 2010, several other laws affect the agency requirements included in Part 6 of OMB Circular A–11. The Chief Financial Officers (CFO) Act of 1990 requires the head of each of the 24 executive agencies to prepare and submit to the Director of OMB audited financial statements. The list of agencies in the CFO Act is used to identify agencies that must develop Agency Priority Goals under the GPRA Modernization Act or as otherwise determined by the Director of OMB.

The Chief Human Capital Officers Act of 2002 tasked each Chief Human Capital Officer (CHCO) with “aligning the agency’s human resources policies and programs with organization mission, strategic goals, and performance outcomes.” The GPRA Modernization Act reinforced the CHCOs’ role in agency performance planning. As one means of implementing these expectations, the [Senior Executive Service performance appraisal policy](#) requires that every SES clearly identify the goals and objectives in the agency Strategic Plan, Annual Performance Plan, or other organizational planning documents for which the SES has full or partial leadership responsibility. Agency strategic objectives must have individuals clearly responsible for their implementation, SES or other levels of manager or team leader.

As a part of the capital planning process, according to the Clinger-Cohen Act, agency heads under the direction of OMB must “analyze the missions of the executive agency and, based on the analysis, revise the executive agency's mission-related processes and administrative processes, as appropriate, before making significant investments in information technology to be used in support of those missions.” Agency plans for capital acquisitions, including plans for information technology, supported by TechStat and PortfolioStat reviews, should align with and support advancement of the goals identified in agency Strategic and Annual Performance Plans, including Agency Priority Goals.

The Reports Consolidation Act of 2000 allows agencies, at the discretion of the Director of OMB, to consolidate the publication of financial and performance information as a Performance and Accountability Report (PAR). A small number of agencies continue to use this option and may still use it for the FY 2012 performance report. However, in light of the recently established GPRA Modernization Act 2010 with associated deadlines requiring performance reporting on a central website, agencies developing a PAR will need to change the performance reporting timeline for the FY 2013 performance report to be consistent with this guidance. (See section 260 on Annual Performance Reporting.)

[Memorandum M-12–14](#) calls on agencies to increase the use of evidence and evaluations in their Fiscal Year (FY) 2014 budget submissions. (See section [210.14](#) part 8 Evaluations and Research in addition to section [240.10](#) on Annual Performance Planning.)

200.3 Our agency is subject to special laws or other governing regulations related to our agency's performance planning or reporting, specifically. How does this guidance relate?

The guidance related to the GPRA Modernization Act requirements accompanies the agency's existing requirements established by other government laws or policies. For example, where agencies are authorized to keep information secret in the interest of national defense or foreign policy, pursuant to applicable policies and laws, agencies should continue to follow those existing laws or policies in their performance planning and reporting. Further, in cases where it is appropriate and feasible, agencies can meet the requirements of the GPRA Modernization Act and other statutory requirements in a single report such as the Department of Defense's Quadrennial Defense Review, which serves the agency's Strategic Plan. If agencies find that GPRA Modernization Act requirements conflict with other requirements, contact OMB to resolve the issue.

200.4 Overview of the GPRA Modernization Act of 2010

On January 4, 2011, President Obama signed the GPRA Modernization Act of 2010. The Act modernizes the Federal Government's performance management framework, retaining and amplifying some aspects of the Government Performance and Results Act of 1993 (GPRA 1993) while also addressing some of its weaknesses. GPRA 1993 established strategic planning, performance planning and performance reporting as a framework for agencies to communicate progress in achieving their missions. The GPRA Modernization Act establishes some important changes to existing requirements. It builds on lessons agencies have learned in setting goals and reporting performance, but places a heightened emphasis on priority-setting, cross-organizational collaboration to achieve shared goals, and the use and analysis of goals and measurement to improve outcomes. The GPRA Modernization Act serves as a foundation for engaging leaders in performance improvement and creating a culture where data and empirical evidence play a greater role in policy, budget and management decisions.

The purposes of the GPRA Modernization Act are to:

- Improve the confidence of the American people in the capability of the Federal Government, by systematically holding Federal agencies accountable for achieving program results;
- Improve program performance by requiring agencies to set goals, measure performance against those goals and report publicly on progress;
- Improve Federal program effectiveness and public accountability by promoting a focus on results, service quality and customer satisfaction;
- Help Federal managers improve service delivery, by requiring that they plan for meeting program goals and by providing them with information about program results and service quality;
- Improve congressional decision-making by providing more information on achieving statutory objectives and on the relative effectiveness and efficiency of Federal programs and spending;
- Improve internal management of the Federal Government; and
- Improve usefulness of performance and program information by modernizing public reporting.

200.5 What are agencies, their managers and their employees accountable for with regard to their performance goals and measurement?

Agencies are expected to use goals and measurement in multiple ways, including:

- Using performance information to lead and learn to improve outcomes and find lower cost ways to accomplish objectives;
- Communicating performance information clearly and concisely to improve results and transparency; and
- Strengthening problem-solving networks inside and outside government to improve outcomes and performance management practices.

The GPRA Modernization Act requires agencies to set long-term goals and objectives as well as specific, near-term performance goals. Agency leaders at all levels of the organization are accountable for choosing goals and indicators wisely and for setting ambitious, yet realistic targets. Wise selection of goals and indicators should reflect careful analysis of the characteristics of the problems and opportunities an agency seeks to influence to advance its mission, factors affecting those outcomes, agency capacity and priorities. To successfully deliver services to the public in a cost-effective way, agencies must establish a performance culture where both leaders and staff constantly ask and try to answer, questions that help them find, sustain, and spread promising practices and policies.

Agencies are expected to set ambitious goals in a limited number of areas that encourage innovation and adoption of evidence-based performance strategies that push them to achieve significant performance improvements beyond current levels. OMB generally expects agencies to make great progress on all of their ambitious goals and achieve most of them, but at the same time will work with an agency that consistently meets a very high percentage of its ambitious goals to assure it is setting sufficiently ambitious goals. It will also work with agencies to develop performance improvement plans to support progress on the more challenging goals and objectives. Agencies are accountable for constantly striving to achieve meaningful progress and find lower-cost ways to achieve positive results.

200.6 How does the GPRA Modernization Act affect the roles and responsibilities of leadership at the agency?

The GPRA Modernization Act builds upon a performance management leadership structure that begins with the agency head, the [Chief Operating Officer](#) (COO), the [Performance Improvement Officer](#) (PIO), and the [goal leaders](#). The Act's performance framework must translate across and cascade down the organization to all agency managers and team leaders. The three primary responsibilities of agency performance leaders are:

1. **Goal-setting.** Leaders at all levels of the organization, starting with the agency head, are responsible for choosing and communicating near-term and long-term goals, distinguishing those that are the highest priority and for driving progress on those priorities.
2. **Assuring timely, actionable performance information is available to decision-makers at all levels of the organization.** COOs, PIOs and senior program managers should make sure that the agency gathers and analyzes performance and other evidence, including evaluations and other research as needed, to better understand the problems they are trying to tackle, the effectiveness of past efforts to address problems, factors affecting change, and the costs of delivery.
3. **Conducting frequent data-driven reviews that guide decisions and actions to improve performance outcomes and reduce costs.** Each agency head and/or COO, with the support of the PIO, must run data-driven progress reviews and include in the reviews key personnel from other components, programs, or agencies, which contribute to the accomplishment of the goals reviewed. These reviews must include but are not limited to Agency Priority Goals.

As the GPRA Modernization Act is implemented, increased use of performance information should spread across the organization and to program delivery partners. Those affected will include, but are not limited to:

- Agency head
- Chief Operating Officer (COO)
- Performance Improvement Officer (PIO)
- Goal leaders
- Bureau/Component heads
- Program managers and program office employees
- Regional offices
- Evaluation, policy, and planning offices
- Mission support offices (including functions such as acquisition, financial management, information technology, human capital)
- [Delivery partners](#)
- [Performance Improvement Council](#)
- Office of Management and Budget

200.7 How does the agency designate the COO and PIO and notify OMB of the designations?

The GPRA Modernization Act requires all agency heads to designate a COO, who is the deputy head of the agency or equivalent. Agency heads in consultation with the COO, will designate a senior executive as the agency PIO. The PIO must report directly to the COO or agency head. Agencies naming a political appointee senior executive or other individual with a limited-term appointment as PIO should name a career senior executive as the Deputy PIO.

For the purposes of assigning a PIO, agencies have flexibility to name a senior executive, depending on the organizational needs and structure of the agency. For agencies with 500 or more full-time-equivalent employees (FTEs), a senior executive should be at the Executive Schedule, Senior Executive Service or equivalent level. For agencies with less than 500 FTEs, a senior executive should be a senior-level manager or leader within the organization. If necessary, and within available resources, agencies subject to the Chief Financial Officers Act of 1990 may submit to the Office of Personnel Management a request for consideration of an SES allocation adjustment for the PIO position.

The head of each agency with more than five hundred FTEs must notify OMB of the name of the agency COO. This should be done by emailing the OMB Deputy Director for Management/Chief Performance Officer and the OMB Associate Director for Performance and Personnel Management the name of the COO, copying performance@omb.eop.gov. The COO must also notify OMB of the name of the PIO (and Deputy PIO, if named) by emailing the Associate Director for Performance and Personnel Management and copying performance@omb.eop.gov. Agencies that have fewer than 500 FTEs are encouraged, but not required, to notify OMB of the name of the agency COO and PIO (and Deputy PIO if named). The agency head or COO, as appropriate, must update the designations as they change.

200.8 Does an agency have to name an acting COO or acting PIO if the position is vacant?

Yes. If the COO or PIO position is likely to remain vacant for more than one month, the agency head or the COO should notify OMB of the name of the acting COO or acting PIO by emailing notifications to the Associate Director for Performance and Personnel Management, copying performance@omb.eop.gov. The Deputy PIO will be presumed to serve as the acting PIO unless the COO names another person to serve as the acting PIO.

200.9 Will OMB make the PIO designations public?

Yes. OMB has made the names of PIOs available to the public on OMB's website for those agencies over 500 FTEs.

200.10 What is the role of the Chief Operating Officer (COO)?

Critical to the success of agency efforts to improve results and reduce costs is leadership engagement at all levels – led by the COO. The GPRM Modernization Act states that the COO “shall provide overall organization management to improve agency performance and achieve the mission and goals of the agency through the use of strategic and performance planning, measurement, analysis, regular assessment of progress, and use of performance information to improve the results achieved.” The law charges the COO with advising and assisting the head of the agency in these efforts, with support from the PIO. COOs, assisted by PIOs, are expected to assume the following roles and responsibilities for delivering an efficient, effective, and accountable government:

- 1) **Set clear and ambitious goals to improve results and reduce costs.** COOs will advise and assist the agency heads in selecting and communicating near- and long-term goals for their agencies that accelerate performance on Administration priorities and agency missions, save money, and enhance agency responsiveness to customers and citizens.
- 2) **Assign and empower senior accountable officials to lead.** Agency heads or COOs will designate a goal leader responsible for driving progress for each strategic objective and Agency Priority Goal. COOs will assure these senior accountable officials have the tools and authority needed to manage both within and across organization boundaries to deliver better results in the most cost-effective way.
- 3) **Conduct frequent reviews to accelerate progress.** At least every quarter, the COOs will conduct data-driven reviews to speed performance and efficiency improvements on priority and other goals, including savings and management goals, coordinating with agencies that contribute to shared goals. Quarterly performance reviews on Agency Priority Goals are required both by [Executive Order 13576](#) and the GPRM Modernization Act of 2010. COOs are responsible for ensuring these reviews are implemented in a way that is useful to the organization and for strengthening the agency’s analytic capacity to support data-driven progress reviews.
- 4) **Identify and implement actions that improve results, enhance efficiency, and reduce waste.** The COOs, working with component managers, program managers, research and evaluation offices, PIOs, Chief Financial Officers (CFOs), Chief Acquisition Officers, Chief Information Officers, Chief Human Capital Officers (CHCO), and other management function leaders will actively engage in delivering results on agency goals in more effective and efficient ways, including re-directing budget and staffing resources. The COOs will also work with the CFOs and other agency leaders to ensure that managers and employees continually look for and act on opportunities to cut waste and increase productivity. As part of this effort, COOs will ensure other agency leaders such as program managers, information technology managers and acquisition leaders are working closely with the CFOs to meet goals for reducing unnecessary spending and to increase agency participation in government-wide savings initiatives, such as strategic sourcing. COOs will also ensure that an agency’s leadership team reviews the program improvement and cost saving recommendations identified in the Government Accountability Office’s (GAO) annual report on program duplication, overlap, and fragmentation, as well as areas GAO has identified as high-risk, and that the agency, working with other agencies or OMB as appropriate, has a plan in place that addresses the recommendations. As indicated in OMB Management [Memorandum M-12-13](#), each agency’s 2014 budget submission should continue to implement these management priorities in a manner that best fits the agency's objectives and priorities, reflecting the set of activities expected to maximize fiscal benefit while maintaining the agency's ability to fulfill its mission.
- 5) **Ensure transparency of performance information that increases accountability, results, and cost-effectiveness.** COOs are responsible for making sure that performance information is regularly updated to inform agency and OMB performance reviews. In addition, COOs will make sure that program managers regularly communicate actionable performance metrics and analyses to those in the field, other parts of the Federal Government and delivery partners so they can improve performance and reduce costs. Also, on an annual basis, COOs are responsible for assuring that each

agency identifies opportunities for eliminating, consolidating or modifying duplicative or outdated congressionally-required plans and reports.

- 6) **Instill a performance and efficiency culture that inspires continual improvement.** COOs, supported by PIOs and CHCOs, are responsible for establishing a performance culture within the agency that sets priorities and challenges for managers and employees at all levels of the organization to focus on better outcomes and lower-cost ways to operate. They should work to establish a culture of continual learning and continual search for testing, validation, and adoption of increasingly effective practices. They are also responsible for using the annual Federal Employee Viewpoint Survey to identify areas of personnel strength, likely models, and possible mentors, as well as areas of weakness needing attention. Further, COOs are responsible for assuring that SES performance expectations support progress on agency strategic objectives, performance goals, and indicators.

200.11 Why is COO leadership engagement important to performance management?

Engagement of agency leadership in performance management is critical for several purposes. COOs need to:

- Provide organizational leadership to improve performance relative to mission and management functions.
- Bring together other leaders and staff within the agency, including component managers, program managers, research and evaluation experts, and other leaders of key management functions such as the CIO, CFO, CHCO, and CAO, in addition to the PIO, to solve problems and pursue opportunities that help the agency operate more effectively and efficiently.
- Make timely and consequential decisions, including program, practice, budget, and staffing decisions, to drive performance results in more effective and cost-effective ways.
- Maintain or shift focus of other leaders and staff to the priorities that advance Administration and agency mission, guiding agency efforts to shift attention and resources from lower-priority objectives to higher priority ones.
- Convene and chair data-driven performance reviews with appropriate representatives from components, other offices, and other agencies if needed, challenging those involved in the review to identify opportunities for improvement and decide next steps.
- Promote adoption of performance improvement practices across the whole organization, fostering a high-performance culture that empowers and engages managers and employees at all levels. (e.g., creating demand for useful performance information during data-driven reviews; and holding managers accountable for knowing what works that is worth continuing; knowing what doesn't that needs to be fixed; and following up on actions assigned during the performance reviews).

200.12 What is the role of the Performance Improvement Officer?

The GPRA Modernization Act requires agency heads, in consultation with the COO, to name a PIO who is a senior executive reporting directly to the COO. Agency PIOs are expected to advise and assist the agency leadership to ensure that the mission and goals of the agency are achieved through strategic and performance planning, measurement, analysis, regular assessment of progress, and use of performance information to improve results. This includes driving performance improvement efforts across the organization by using goal-setting, measurement, analysis, evaluation and other research, data-driven performance reviews on progress, cross-agency collaboration, and personnel performance appraisals aligned with organizational priorities.

The PIOs are expected to support the head of the agency and COO functions by playing the following roles within their agencies:

- 1) Support the agency head and COO in leading agency efforts to set goals, make results transparent, review progress and make course corrections by:
 - advising and assisting all organizational components in strategic and performance planning to advance the agency's mission;
 - supporting frequent data-driven reviews, at least quarterly, to learn from experience, descriptive research, descriptive and predictive analyses, evaluations, and decide next steps to improve program performance;
 - communicating goals, progress, problems, and improvement plans, including quarterly reporting of progress on agency priorities and Annual Performance Reports, to those who need the information to make better decisions.
- 2) Reach out to other offices to improve operational effectiveness and efficiency by:
 - assisting other agency managers, including component and program office managers, Chief Financial Officer, Chief Human Capital Officer, Chief Acquisition Officer/Senior Procurement Executive, Chief Information Officer, research and evaluation offices, as well as legislative and communication offices, in efforts to improve and communicate organizational performance;
 - working with Chief Human Capital Officer and other agency managers in aligning personnel performance objectives, feedback, appraisals, recognition, and incentive structures effectively to advance agency goals and priorities;
 - working with CIOs and CAOs to assure agency capital investments advance organizational goals set forth in strategic and annual plans;
 - assisting the COO, in collaboration with the CFO, in evaluating the efficient use of resources across all agency activities, incorporating the use of performance information in budget preparation and execution.
- 3) Help components, program office leaders and goal leaders to identify and promote adoption of effective practices to improve outcomes, responsiveness and efficiency, by supporting them in:
 - selecting meaningful goals and indicators, designating goal leaders, collecting and analyzing data in ways that inform targeting, identify and promote adoption of increasingly effective practices, and securing evaluations and other research as needed;
 - preparing for data-driven reviews;
 - communicating performance goals, indicators and related analyses;
 - running effective data-driven performance reviews and triggering focused follow-up questions that inform future action and research;
 - creating a network for learning and knowledge sharing about successful outcome-focused, data-driven performance improvement methods across all levels of the organization and with delivery partners.

200.13 Who will support the work of the PIO?

Agencies may create a dedicated PIO staff and/or identify a cross-agency team that supports the PIO to assist the COO in strengthening the performance improvement culture and practices that improve outcomes and cost-effectiveness. COOs should identify organizational units with analytic and evaluation capacity to work with the PIOs to support the data-driven reviews.

200.14 What is the role of a goal leader?

A goal leader is an official named by the agency head or COO who will be held accountable for leading implementation efforts to achieve a goal. A goal leader will lay out strategies to achieve the goal, manage execution, regularly review performance, engage others as needed and make course corrections as appropriate. Agency goal leaders will be individual(s) authorized to coordinate across an agency or program to achieve progress on a goal. Certain goals may require two goal leaders or co-goal leaders who share accountability for progress.

200.15 Do all agencies need to assign a goal leader for every goal?

Agencies responsible for Priority Goals must identify to OMB the goal leader for each Agency Priority Goal and strategic objective that was included in the agency's Strategic Plan or updated in the most recent Annual Performance Plan. Unless otherwise noted, the goal leader for each strategic objective also has responsibility for driving progress on the individual performance goals supporting that strategic objective. OMB will work across the Administration to identify goal leaders for Cross-Agency Priority Goals.

OMB expects that Chief Human Capital Officers and PIOs to work together to assure that every Agency Priority Goal and strategic objective has an official clearly responsible for it.

200.16 What is a deputy goal leader?

Where a goal leader is assigned, agencies should identify a deputy goal leader to support to the goal leader. Agencies naming a political appointee as a goal leader are encouraged to name a career senior executive as the deputy.

200.17 What is the role of the Performance Improvement Council?

The GPRA Modernization Act establishes the Performance Improvement Council (PIC) in statute. The PIC assists agencies, the Director of OMB, and the Deputy Director for Management of OMB in improving the performance of the Federal Government. The PIC is intended to help make performance management and improvement policies and principles operational.

The Deputy Director for Management of OMB, or designee, shall act as chairperson of the Council and preside at the meetings of the PIC, determine its agenda, direct its work and establish and direct subgroups of the PIC, as appropriate, to deal with particular subject matters.

The PIC shall:

- Assist the Director of OMB in improving the performance of the Federal Government and achieving the Federal Government Cross-Agency priority goals and in implementing the planning, reporting and use of performance information requirements related to the Cross-Agency Priority Goals;
- Analyze and advise how to resolve specific government-wide or cross-cutting issues;

- Facilitate the exchange of useful practices within specific programs or across agencies;
- Coordinate with other interagency management councils;
- Consider the performance management and improvement experience of others (private sector, other governments and other levels of government, nonprofit sector, public sector unions, customers of government services, etc.);
- Receive assistance, information, and advice from agencies;
- Develop and submit recommendations to streamline and improve performance management policies and requirements and, when appropriate, leads implementation of them; and
- Develop tips, tools, training, and other capacity-building mechanisms to strengthen agency performance management and facilitate cross-agency learning and cooperation, especially by considering the performance improvement experiences of entities both within and outside the Federal Government.

200.18 Who makes up the PIC?

The Performance Improvement Council is chaired by the Deputy Director for Management (DDM) of OMB. The DDM may delegate day-to-day management of the PIC to an executive who presides at the meetings, determines its agenda, directs its work and establishes and directs work of subgroups. The PIC is made up of Performance Improvement Officers (PIO) and Deputy PIOs from agencies and other individuals as determined by the chair. The PIC may create working groups, task forces, and subcommittees made up of other agency officials to carry out the work of the Council and support efforts to improve the performance of the Federal Government.

200.19 What is the PIC's relationship with agencies?

The PIC is made up of agency representatives and serves agencies on matters of performance management and improvement. Agency staff, managers, and executives can engage PIC resources, such as dedicated staff and detailees reporting to the PIC, working groups, and online collaboration opportunities provided by the PIC, to solicit solutions to matters that impact mission activity, management functions and performance management. As provided by law, the heads of agencies with Performance Improvement Officers serving on the PIC shall, provide at the request of the chairperson of the PIC, up to 2 personnel authorizations to serve at the direction of the chairperson.

200.20 Definitions

Actionable Information. Data or evidence that is sufficiently accurate, timely and relevant to affect a decision, behavior, or outcome by those who have authority to take action. For information to be actionable, it must be prepared in a format appropriate for the user.

Agency. OMB Circular A-11 Part 6 uses the same definition of agency as the GPRA Modernization Act in section 306(f) of title 5. This definition of agency includes executive departments, government corporations and independent establishments but does not include the Central Intelligence Agency, the Government Accountability Office, the Panama Canal Commission, the United States Postal Service, and the Postal Regulatory Commission.

Agency Financial Report (AFR). A report on the agency end of fiscal year financial position that includes, but is not limited to, financial statements, notes on the financial statements and a report of the independent auditors. The report also includes a performance summary. (See section [260](#) on Annual Performance Reporting).

Annual Performance Plan (APP). Under the GPRA Modernization Act, an agency's Annual Performance Plan defines the level of performance to be achieved during the year in which the plan is submitted and the next fiscal year. The APP may be used to structure the agency's budget submission or be a separate document that accompanies the agency's budget submission. An Annual Performance Plan must cover each program activity of the agency set forth in the budget. (See section [240](#) on Annual Performance Planning).

Annual Performance Report (APR). A report on the agency performance that provides information on the agency's progress achieving the goals and objectives described in the agency's Strategic Plan and Annual Performance Plan, including progress on the Agency Priority Goals. The report is delivered to Congress every February with an agency's Congressional Budget Justification or alternatively, the APR may be delivered as a performance section of the Performance and Accountability Report that is published by agencies in November. (See section [260](#) on Annual Performance Reporting).

Component (of an agency). Used to describe major organizational units, such as a bureau, administration, or office, within a department or agency.

Crosscutting. Across organizational boundaries within an agency or across multiple agencies.

Delivery Partner. Organizations or entities outside a Federal agency that help a Federal agency accomplish its objectives (e.g.; state and local governments, grantees, non-profits, associations, other agencies, contractors).

Efficiency. For the purposes of this guidance, efficiency gains in a program may be described as maintaining a level of performance at a lower cost, improving performance levels at a lower cost, improving performance levels at the same cost, or improving performance levels to a greater degree than costs are increased.

External Factors. Economic, demographic, social, environmental, or other influences that are not of the agency's own making but can affect the goals or outcomes an agency seeks to influence. Some external factors, such as safety practices, can be influenced by agency action, while others are more difficult to affect.

Goal. A statement of the result or achievement toward which effort is directed. Goals can be long or short-term and may be expressed specifically or broadly. Progress against goals should be monitored using a suite of supporting indicators. For the purpose of this guidance, there are Cross-Agency Priority Goals, strategic goals, strategic objectives, Agency Priority Goals and performance goals, all of which have uniquely defined properties.

Goal, Cross-Agency Priority (CAP Goals) (referred to as Federal Priority Goal in GPRA Modernization Act). A statement of the long-term level of desired performance improvement for government-wide goals set or revised at least every four years. These include outcome-oriented goals that cover a limited number of crosscutting policy areas and management goals addressing financial management, human capital management, information technology management, procurement and acquisition management, and real property management.

Goal, Strategic. A statement of aim or purpose that is included in a Strategic Plan. Strategic goals articulate clear statements of what the agency wants to achieve to advance its mission and address relevant national problems, needs, challenges and opportunities. These outcome-oriented strategic goals and supporting activities should further the agency's mission.

Objective, Strategic. Strategic objectives break down broader strategic goals to express more specifically the path an agency plans to follow to achieve or make progress on the broader strategic goal. Each objective is tracked through a suite of performance goals and other indicators. Strategic objectives and

performance goals should facilitate prioritization and assessment for planning, management, reporting, and evaluation purposes. Agencies should use strategic objectives to help decide which indicators are most valuable to provide leading and lagging information, monitor agency operations, show how employees contribute to the organization’s mission, determine program evaluations needed, communicate agency progress and consider the impact of external factors on the agency’s progress. An agency’s strategic objectives may focus on management functions critical to the success of the strategic goal (e.g., a major IT project that is essential to overall progress or new skills training essential to delivery of the mission). In general, strategic objectives will directly support a strategic goal. In some circumstances where agencies perform statutory activities which are not closely tied to the agency strategic goals, agencies may establish a strategic objective which does not roll up directly to a strategic goal. Agency strategic objectives should be comprehensive of all agency activity and are generally outcome-oriented.

Goal, Agency Priority (APG). A limited number of goals, usually 2–8, identified by CFO Act agencies or as directed by OMB. An APG advances progress toward longer-term, outcome-focused goals in the agency’s Strategic Plan, near-term outcomes, improvements in customer responsiveness, or efficiencies. An APG is a near-term result or achievement that leadership wants to accomplish within approximately 24 months that relies predominantly on agency implementation (as opposed to budget or legislative accomplishments). APGs reflect the top near-term performance improvement priorities of agency leadership, not the full scope of the agency mission.

Goal, Performance. A statement of the level of performance to be accomplished within a timeframe, expressed as a tangible, measurable objective or as a quantitative standard, value, or rate. For the purposes of this guidance and implementation of the GPRA Modernization Act, a performance goal includes a [performance indicator](#), a [target](#), and a time period. The GPRA Modernization Act requires performance goals to be expressed in an objective, quantifiable, and measurable form unless agencies in consultation with OMB determine that it is not feasible. In such cases an “alternative form” performance goal may be used. The requirement for OMB approval of an alternative form goal applies to performance goals only. Milestones are often used as the basis of an alternative form performance goal. Performance goals specified in alternative form must be described in a way that makes it possible to discern if progress is being made toward the goal.

Example Performance Goal: Reduce the number of homeless veterans on any given night to 35,000 by June 2012.

Performance Indicator: Number of homeless veterans on any given night

Target: 35,000

Time period: June 2012

Example “Alternative Form” Performance Goal: Obtain an unqualified audit opinion on the agency’s financial statements at the by the end of FY 2014.

Performance Indicator: Audit opinion on the agency financial statements

Target: Unqualified

Time period: By the end of FY 2014

Goal Leader. The person designated by the agency head or COO to lead, oversee and be accountable for the implementation of an agency goal. A goal leader will lay out strategies to achieve the goal, manage execution, regularly review performance and make course corrections when needed. The agency’s goal leaders should be empowered to coordinate across the agency to improve performance. (See [section 200.14](#)).

Government Corporation. A corporation owned or controlled by the Federal Government, as defined in section 103 of title 5, United States Code.

GPRA. Refers to the Government Performance and Results Act of 1993. Note that the GPRA Modernization Act refers to the update of the law in 2010.

Indicator. A measurable value that indicates the state or level of something.

Categories of Indicators: For the purposes of this guidance and the Performance.gov data standards, two categories of indicators are distinguished, performance indicators and other indicators.

1. **Performance Indicator.** The indicator for a performance goal or within an Agency Priority Goal statement that will be used to track progress toward a goal or target within a timeframe. By definition, the indicators for which agencies set targets with timeframes are performance indicators.
2. **Other Indicator.** Indicators not used in a performance goal or Agency Priority Goal statement but are used to interpret agency progress or identify external factors that might affect that progress. By definition, indicators that do not require targets and timeframes are other indicators.

Types of Indicators: Various types of indicators (e.g. outcome, output, customer service, process, efficiency) may be used as either performance indicators or other indicators. Agencies are encouraged to use outcome indicators as performance indicators where feasible. Some examples in alphabetical order include, but are not limited to:

- **Indicator, Contextual.** Data that provides situational information for the purpose of understanding trends or other information related to a goal or a program. Examples could include data about warning signals; unwanted side effects; external factors the government can influence or external factors where the government may have a limited effect.
- **Indicator, Customer Service.** A type of measure that indicates or informs the improvement of government's interaction with those it serves or regulates.
- **Indicator, Efficiency.** A type of measure, specifically a ratio of a program activity inputs (such as costs or hours worked by employees) to its outputs or outcomes. Efficiency indicators reflect the resources used to achieve outcomes or produce outputs. Measuring the cost per unit of outcome or output tends to be most useful for similar, repeated practices. In other circumstances, it tends to be more useful to find effective practices and then look for lower cost ways of delivering them.
- **Indicator, Input.** A type of measure that indicates the consumption of resources, especially time and/or money, used.
- **Indicator, Intermediate Outcome.** A type of measure that indicates progress against an intermediate outcome that contributes to an ultimate outcome, such as the percentage of schools adopting effective literacy programs, compliance levels, or the rate of adoption of safety practices.
- **Indicator, Process.** A type of measure that indicates how well a procedure, process or operation is working, (e.g., timeliness, accuracy, or completeness).
- **Indicator, Outcome.** A type of measure that indicates progress against achieving the intended result of a program. Indicates changes in conditions that the government is trying to influence.
- **Indicator, Output.** A type of measure, specifically the tabulation, calculation, or recording of activity or effort, usually expressed quantitatively. Outputs describe the level of product or activity that will be provided over a period of time. While output indicators can be useful, there must be a reasonable connection between outputs used as performance

indicators and outcomes. Agencies should select output indicators based on evidence supporting the relationship between outputs and outcomes, or in the absence of available evidence, based on a clearly established argument for the logic of the relationship.

Inherently Governmental. An inherently governmental function, as defined in section 5 of the Federal Activities Inventory Reform Act, Public Law 105–270, means a function that is so intimately related to the public interest as to require performance by Federal Government employees. Additional guidance is available at [Performance of Inherently Governmental and Critical Functions](#). The application of the term inherently governmental for functions described in the legislation does not change from the 1993 GPRA legislation to the 2010 GPRA Modernization Act. The preparation of agency Strategic Plans, Annual Performance Plans, and Annual Performance Reports is considered an inherently governmental function. COOs, PIOs, and Deputy PIOs must be government employees, but contractors may provide support to these officials in executing their functions.

Intended Use. The concept implied by ‘intended use’ of data in the GPRA Modernization Act allows agencies to set expectations for data accuracy levels appropriate to the specific purpose for which the information will be used. For example, a randomized control trial testing drug effectiveness and safety prior to drug approval may need a high level of accuracy to protect lives; but counts of emergency room asthma incidents used to identify asthma triggers may not require the same level of accuracy. Agencies should consider the intended use of data to determine the level of accuracy needed to manage data collection costs.

Machine Readable Format. Format in a standard computer language (not English text) that can be read automatically by a web browser or computer system. (e.g.; xml). Traditional word processing documents, hypertext markup language (HTML) and portable document format (PDF) files are easily read by humans but typically are difficult for machines to interpret. Other formats such as extensible markup language (XML), (JSON), or spreadsheets with header columns that can be exported as comma separated values (CSV) are machine readable formats. It is possible to make traditional word processing documents and other formats machine readable but the documents must include enhanced structural elements.

Management Function. Describes offices or activities within agencies that support the agency divisions delivering programs that more directly advance mission. These functions tend to be common across agencies (e.g., financial, human capital, acquisition, information technology, performance management, legal, communication, intergovernmental).

Management Challenge. Programmatic or management functions, within or across agencies, that have greater vulnerability to waste, fraud, abuse, and mismanagement (such as issues the Government Accountability Office identifies as high risk or issues that an Inspector General identifies) and where failure to perform well could seriously affect the ability of an agency or the Federal Government to achieve its mission.

Measure. See indicator.

Milestone. A scheduled event signifying the completion of a major deliverable or a phase of work.

Objective. See goal.

Output. Quantity of products or services delivered by a program, such as the number of inspections completed or the number of people trained.

Outcome. The desired results of a program. For example, an outcome of a nation-wide program aimed to prevent the transmission of HIV infection might be a lower rate of new HIV infections in the U.S. Agencies are strongly encouraged to set outcome-focused performance goals to ensure they apply the full range of tools at their disposal to improve outcomes and find lower cost ways to deliver.

Performance and Accountability Report (PAR). An annual report of agency performance ([APR](#)) and financial results ([AFR](#)). The report contains the agency’s audited financial statements and detailed information on efforts to achieve goals during the past fiscal year. The [Agency Financial Report](#), combined with an [Annual Performance Report](#), serves as an option to reporting the agency’s end of fiscal year status through a consolidated Performance and Accountability Report. (See section [260](#) on Annual Performance Reporting).

Performance Improvement Council (PIC). The PIC consists of Performance Improvement Officers from the 24 CFO Act agencies and other agencies and is chaired by the Chief Performance Officer and Deputy Director for Management at OMB or the Associate Director for Performance and Personnel Management as the designee. The purpose of the Council is to develop recommendations relating to performance management policies, requirements, and criteria for analysis of program performance. In addition, the Council is responsible for facilitating the exchange of performance management information among agencies to accelerate improvements in program performance. The Council also coordinates and monitors continuous reviews of the performance and management of Federal programs.

Performance Management. Use of goals, measurement, evaluation, analysis, and data-driven reviews to improve results of programs as well as the effectiveness and efficiency of agency operations. Performance management activities often consist of planning, goal setting, measuring, analyzing, reviewing, identifying performance improvement actions, reporting, implementing, and evaluating. The primary purpose of performance management is to improve performance and then to find lower cost ways to deliver effective programs.

Performance.gov. Web-based system that includes performance information about the Executive Branch, and is the government-wide performance website required under the GPR Modernization Act of 2010. The site encompasses the Federal Performance Plan and is being developed to include more agency-specific detail in accordance with the GPR Modernization Act.

Program. Generally, an organized set of activities directed toward a common purpose or goal that an agency undertakes or proposes to carry out its responsibilities. Within this broad definition, agencies and their stakeholders currently use the term “program” in different ways. Agencies have widely varying missions and achieve these missions through different programmatic approaches, so differences in the use of the term “program” are legitimate and meaningful. For this reason, OMB Circular A-11 Part 6 does not prescribe a superseding definition of “program”; rather, consistent with the GPR Modernization Act, agencies may identify programs consistent with the manner in which the agency uses programs to interact with key stakeholders and to execute its mission. See Section [280](#) on Federal Program Inventory for more information on how agencies must inventory and publish programs in 2013.

Program Activity. Activities or projects listed in the program and financing schedules of the annual budget of the United States Government. For the purpose of preparing an Annual Performance Plan, an agency may aggregate, disaggregate, or consolidate program activities, except that any aggregation or consolidation may not omit or minimize the significance of any program activity constituting a major function or operation for the agency.

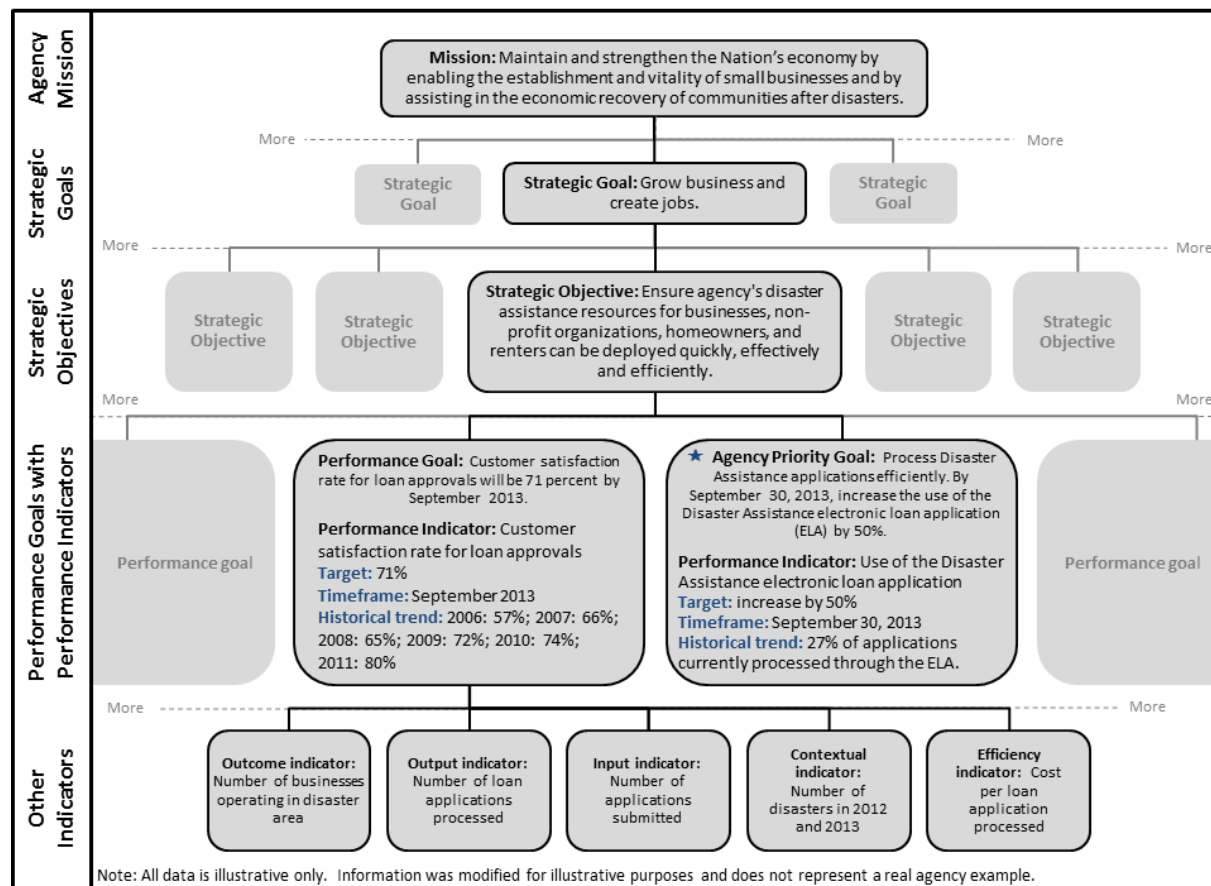
Program Evaluation. Individual, systematic studies to assess how well a program is working to achieve intended results or outcomes. Program evaluations are often conducted by experts external to the program either inside or outside an agency. Evaluations can help policymakers and agency managers strengthen the design and operation of programs and can help determine how best to spend taxpayer dollars effectively and efficiently. Evaluations identified should be performed with appropriate scope, quality, and independence. Evaluations may address questions related to the overall performance of the program, the effectiveness of particular program strategies, or factors that relate to variability in effectiveness of the program or strategies. Evaluations can also examine questions related to measurement of progress, such as the reliability of performance data, identifying appropriate goals or targets for performance, and understanding the contextual factors surrounding a program.

Reasonable Administrative Burden. The concept of reasonable administrative burden is related to decisions about the frequency and granularity of reporting performance in the GPRA Modernization Act. It refers to considering the cost compared to the benefit of reporting information more frequently or at a more disaggregated level. Because it is not uncommon for more frequent or more granular data to have a higher benefit yet also a higher cost, agencies should increase the frequency and granularity of their performance reporting when the expected value justifies the estimated cost.

Strategic Plan. The Strategic Plan presents the long-term objectives an agency hopes to accomplish, set at the beginning of each new term of an Administration. It describes general and longer-term goals the agency aims to achieve, what actions the agency will take to realize those goals and how the agency will deal with the challenges likely to be barriers to achieving the desired result. An agency’s Strategic Plan should provide the context for decisions about performance goals, priorities, and budget planning, and should provide the framework for the detail provided in agency annual plans and reports.

Target. Quantifiable or otherwise measurable characteristic that tells how well or at what level an agency or one of its components aspires to perform. In setting and communicating targets, where available, agencies should include the baseline value from which the target change is calculated.

200.21 Example Illustration of Goal Relationships



200.22 Performance Timeline

FY 2014 President’s Budget Performance Timeline below provides a summary of submission requirements related to performance planning and reporting within OMB Circular A–11 Part 6.

SECTION 200—OVERVIEW OF THE FEDERAL PERFORMANCE FRAMEWORK

Date	Section	Description	Location
Determined by OMB & the agency	Federal Program Inventory (280)	OMB and agency determine approach and list of programs.	MAX
Aug. 15, 2012	Performance.gov (210) Cross-Agency Priority Goals (220) Agency Priority Goals (250)	Draft Q3 Quarterly Performance Update and supporting information for APGs and CAP Goals.	Performance.gov
Sept. 10, 2012	Annual Performance Planning (240)	Draft FY 2014 Annual Performance Plan.	MAX
Sept. 10, 2012	Annual Performance Planning (240)	Draft Lower-Priority Program Submission.	MAX
Sept. 10, 2012	Elimination of Unnecessary Plans and Reports (290)	Draft list of unnecessary plans and reports that the agency would like to propose to Congress for modification.	MAX
Nov. 1, 2012	Annual Performance Reporting (260)	Draft FY 2012 Agency Financial Report or Performance and Accountability Report for final OMB clearance.	MAX
Nov. 15, 2012	Performance.gov (210) Cross-Agency Priority Goals (220) Agency Priority Goals (250)	Draft Q4 Quarterly Performance Update for APGs and CAP Goals.	Performance.gov
Nov. 15, 2012	Annual Performance Reporting (260)	Publish FY 2012 Agency Financial Reports or Performance and Accountability Report.	Agency website
Nov. 30, 2012	Performance.gov (210) Cross-Agency Priority Goals (220) Agency Priority Goals (250)	Publish APGs and CAP Goal information. (Includes Quarterly Performance Updates, overview, indicators and recent results, progress & next steps, narratives).	Performance.gov
Jan. 18, 2013	Annual Performance Planning (240) Annual Performance Reporting (260)	Revised FY 2014 Annual Performance Plan and FY 2012 Annual Performance Report for final OMB clearance.	MAX
Feb. 1, 2013	Summary of Performance and Financial Information (See OMB Circular A-136)	Draft FY 2012 Summary of Performance and Financial Information for final OMB clearance.	MAX
Feb. 4, 2013	Annual Performance Planning (240) Annual Performance Reporting (260)	Publish FY 2014 Annual Performance Plan. Publish FY 2012 Annual Performance Report.	Agency website

SECTION 200—OVERVIEW OF THE FEDERAL PERFORMANCE FRAMEWORK

Date	Section	Description	Location
Feb. 4, 2013	Elimination of Unnecessary Plans and Reports (290)	Publish lists of outdated and duplicative reports.	Performance.gov
Feb. 4, 2013	Annual Performance Planning (240)	Publish President’s Budget with volume containing lower-priority program activities	OMB website
Feb. 15, 2013	Performance.gov (210) Cross-Agency Priority Goals (220) Agency Priority Goals (250)	Q1 Quarterly Performance Update for APGs and CAP Goals for OMB review.	Performance.gov
Feb. 15, 2013	Summary of Performance and Financial Information (See OMB Circular A-136)	Publish FY 2012 Summary of Performance and Financial Information.	Agency website
Feb. 28, 2013	Performance.gov (210) Cross-Agency Priority Goals (220) Agency Priority Goals (250)	Publish Q1 Quarterly Performance Update for APGs and CAP Goals.	Performance.gov
April 1, 2013	Federal Program Inventory (280)	Agency submits draft program inventory to OMB.	MAX
May 15, 2013	Performance.gov (210) Cross-Agency Priority Goals (220) Agency Priority Goals (250)	Q2 Quarterly Performance Update for APGs and CAP Goals for OMB review.	Performance.gov
May 31, 2013	Annual Performance Planning (240) Annual Performance Reporting (260)	Agency publishes the machine-readable formatted FY 2014 Annual Performance Plan and FY 2012 Annual Performance Report on the agency website. Include link on Performance.gov.	Agency website and Performance.gov
May 31, 2013	Federal Program Inventory (280)	Agency publishes program inventory on agency website. Include link on Performance.gov.	Agency website and Performance.gov