



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

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PROGRAM ASSESSMENT RATING TOOL GUIDANCE NO. 2007-7

TO: OMB PROGRAM ASSOCIATE DIRECTORS  
OMB PROGRAM DEPUTY ASSOCIATE DIRECTORS  
AGENCY PERFORMANCE IMPROVEMENT INITIATIVE LEADS  
AGENCY PERFORMANCE IMPROVEMENT OFFICERS  
AGENCY PROGRAM ASSESSMENT RATING TOOL CONTACTS

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SUBJECT: Improving the Quality of PART Performance and Efficiency Goals

**1. Purpose.**

This memorandum provides OMB Resource Management Offices (RMOs) and their agency counterparts with guidance for improving the quality of program performance and efficiency goals in Program Assessment Rating Tool (PART) assessments.

The goal of this government-wide initiative is to increase the government and public's ability to assess and improve a program's effectiveness and efficiency. The quality check process will review PART programs to ensure they have consistent, reasonably aggressive and outcome-oriented performance goals. These goals are used in program assessments and evaluations and are the focus of attention by stakeholders, program managers, departments and agencies, Congress and future Administrations.

The Government's ability to determine a program's effectiveness, and to direct attention to genuinely desired outcomes, is largely dependent upon the quality of the programs' performance and efficiency goals, i.e., their measures *and* targets. PART goals aren't always as outcome-oriented as they can be. We should continue to make PART program goals more outcome-oriented and aggressive as well as ensure measures are characterized correctly in PARTWeb. PART consistency checks and other assessments have identified inconsistencies with Performance and Accountability Reports (PAR) and PART guidance. Likewise, PART goals are sometimes different than those included in PARs. In addition, a substantial portion of PART efficiency measures need to be revised in order to meet current PART Guidance.

To this end, this guidance requests each agency covered by the President's Management Agenda (PMA) Scorecards establish a select panel to collaborate with OMB on a review of their agency's performance and efficiency goals. This review is not meant to reverse or override any agency strategic planning processes to develop measures, but aims to improve or strengthen existing measures. Like the PART consistency check, this process involves the review and assessment of performance goals using the criteria in the PART Guidance. However, during this review, OMB and agencies will reach agreement on a set of actions to improve the quality of measures and targets used by the agency and the program in three areas covered by the PART:

- Long-term Measures: Program outcomes that fulfill the program's purpose;
- Annual Measures: Implementation of plans and efforts to achieve long-term and strategic goals; and
- Efficiency Measures: Efforts to provide the most benefits (outcomes and outputs) for the taxpayer dollar spent.

## **2. Schedule / Roles and Responsibilities**

The quality improvement activity will be carried-out over the next seven months. Agency and RMO involvement will not begin until late February.

- **December 10 – February 22** – OMB's *Office of Performance and Personnel Management (OPPM)* will initiate an initial review and assessment of PART goals, i.e. both measures and targets, to identify, at a minimum, needed improvements. The output of the initial review will result in a set of performance goal quality improvement actions, which will be shared and discussed with OMB Resource Management Office (RMO) staff. These discussions and deliberations will result in a new set of draft improvement actions RMO staff will share with agencies for further discussion.
  - **Note: By January 30** – *Each agency* covered by President's Management Agenda scorecards establishes a select panel for the review and assessment of their agency's performance and efficiency goals. The panel is to be chaired by the agency's Performance Improvement Officer and should include personnel that coordinate Annual Performance Plans (APPs), PARTs, and Performance and Accountability Reports (PARs) and potentially agency research and evaluation and other offices.
- **February 25 through March 21** – OMB's **Resources Management Offices (RMOs)** engage with agencies to finalize a set of actions to improve the quality of performance goals with planned completion dates.
- **March 24 through June 30** – Agencies work with RMOs to revise or create new measures for inclusion in APPs, PARTs, and PARs

## **3. The Quality Check Form Overview and Quality Improvement Process**

Agencies and OMB input the results of their review or audit of performance measures on a quality check form. The form consists of an assessment of each program's long-term, annual, and efficiency goals.

The form provides for each goal, the measure's text and targets, and questions to prompt an assessment of the goal's quality. There is space for comments and recommended follow-up actions.

For long-term goals taken individually, the form prompts the following questions:

1. Is the measure correctly categorized as a long-term output or outcome measure?
2. Do you recommend revising the measure to make the measure more outcome-oriented?
3. Are the targets reasonably ambitious?
4. Is the measure long-term, i.e. are the targets set through 2012?

For long-term goals, looked at collectively, the form prompts the following questions:

1. Collectively, do the long-term performance goals reflect the program's purpose and the specific problem, interest, or need it addresses? If not, identify what elements are "missing" or not appropriately represented by the goals.
2. Do measures that are used as a proxy for program outcomes have an adequate explanation?

For annual measures taken individually, the form prompts the following questions:

1. Is the measure correctly categorized as an annual output or outcome measure?
2. Do you recommend revising the measure to make the measure more outcome-oriented?
3. Are the targets reasonably ambitious?
4. Is the measure really annual, i.e., are the targets set through 2009?

For annual goals, looked at collectively, the form prompts the following questions:

1. Collectively, do the annual goals demonstrate the program's progress toward achieving its long-term performance goals? If not, identify what elements of the program's efforts are "missing" or not appropriately represented by the goals.

For efficiency measures, the form prompts the following questions:

1. Is the measure correctly categorized as an efficiency measure?
2. Does improvement in the measure mean that program costs have declined relative to outputs or outcomes produced?
3. Are the measure's targets reasonably ambitious?
4. Are the targets set through 2009?

PART Guidance. Performance goals are assessed using a set of statements that reflect the 2007 PART Guidance on the criteria for acceptable measures and targets. In particular, the criteria originate in PART Guidance sections on "Selecting Performance Measures" (pp.7-12) and related questions. Instructions for filling out the form are attached,

#### **4. Implementing Quality Improvement Actions in PARTWeb**

PARTWeb will be opened periodically to accept agreed-to changes to performance measures, their targets, and their explanations.

#### **5. 2008 PARTs and Spring Review**

The intensive, focused quality improvement activity will supplant most of the time allocated to PART assessments, so reduced 2008 assessment activity is expected. Spring Review will occur as planned, since improvement plans, funding information, and performance data will still need to be updated.

#### **6 Inquiries**

OMB RMOs with questions about this guidance should contact Daren Wong (202-395-3797) in OPPM.