

OMB Circular A-11 -- SECTION 240 - ANNUAL PERFORMANCE PLANNING AND REPORTING

The Annual Performance Plan (APP) is a description of the level of performance to be achieved during the fiscal year in which the plan is submitted and the next fiscal year. The plan should also be specific in describing the strategies the agency will follow, explaining why those strategies have been chosen, and identifying performance targets and key milestones that will be accomplished in the current and next fiscal year. It should be comprehensive of the agency's mission by showing the plan for each strategic objective. [Editor's Note: This StratML rendition contains selected parts of section 240 of OMB Circular A-11.]

The Annual Performance Plan should align to the agency's strategic goals and objectives, explaining how they will be achieved. Strategic goals are advanced by strategic objectives, which in turn, are supported by specific performance goals and indicators. For each strategic goal, the annual plan should show the supporting strategic objectives and performance goals. The indicators that will be used to track, interpret or improve progress on performance goals must also be included in the performance plan. Agencies should add performance goals as needed to reflect multiple objectives:

- **Mission.** The core functions and activities of Federal agencies that are reflected in statutory requirements or leadership priorities and which serve to drive their efforts in addressing pressing and relevant national problems, needs, and challenges.
- **Service.** The activities that reflect the interaction(s) between individual citizens or businesses and Federal agencies in providing a direct service on behalf of the Federal Government, and which is core to the mission of the agency.
- **Stewardship.** The responsibilities of Federal agencies to provide appropriate safeguards in executing mission and service related activities effectively and efficiently, including minimizing instances of waste, fraud, and abuse. The Annual Performance Plan supports the agency's budget request by identifying the performance goals and key milestones that an agency will pursue in the coming year. Results of agency progress on strategic objectives and performance goals are presented and discussed in the Annual Performance Report.

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DEMONSTRATION ONLY



Office of Management and Budget (OMB)

Stakeholder(s):

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Acting Director

Mission

To provide guidance on the preparation of annual performance plans and reports.

DEMONSTRATION ONLY

240.6. Resources

Link resources to performance plans.

How will agencies be expected to link resources to the performance plan this year? Performance information in the Annual Performance Plan, especially the goals, indicators of past performance and other evidence such as evaluations, should inform agency budget decisions, complementing other factors considered in the budget process. The funding proposed in agency FY 2021 final budget submissions should reflect funding levels the agency believes are needed to meet proposed FY 2021 targets. Current fiscal year performance goals should be updated to reflect final congressional action on appropriations and other changes in external conditions or management priorities as necessary. The performance goals in Annual Performance Plans should be consistent with those set through agency strategic and performance planning processes. The strategic goals and objectives in the performance plan should capture efforts for all program activities in the budget request. Agencies may aggregate, disaggregate, or consolidate program activities for the purposes of aligning performance information and resources as appropriate for the agency size, 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.

240.7. Performance Plans

Include the specified content in annual performance plans.

What content should be included in the Annual Performance Plan and how will it be published? The content table in section 210 establishes what information must be included in the Annual Performance Plan. This section should be considered in conjunction with section 51, on Basic Justification Materials as well as section 210 which describes requirements for publication of the plan on Performance.gov. Agencies that are required to establish FYs 2020–2021 Agency Priority Goals on Performance.gov will also be expected to publish Annual Performance Plan information on Performance.gov. The FY 2021 Annual Performance Plan will be developed to align with Administration policies and should reflect, where applicable, the agency's FYs 2020-2021 APGs. The FY 2021 Annual Performance Plan will be published concurrent with the agency's final FY 2021 congressional budget justification, with all agencies producing a full agency performance plan for posting on the agency's website with all required content. The agency's congressional committees may also require additional information for the performance plan that is submitted to Congress.

Machine-Readability

Publish performance plans and reports searchable, machine-readable format.

Machine-Readable. To more fully implement provisions of the GPRA Modernization Act of 2010 that require agency plans and reports be produced in a searchable, machine-readable format, OMB will work with a small subset of Federal agencies on an exploratory initiative to produce machine-readable components or portions of the FY 2021 Annual Performance Plans and FY 2019 Annual Performance Reports. Producing agency performance plans and reports in a machine-readable format improves accessibility of agency performance data contained within the APP and APR, as well as enhances transparency through advanced data visualization tools. This machine-readable initiative for agency performance plans and reports will be conducted in conjunction with OMB and agency efforts that is also focused on exploring the production of machine-readable components of congressional budget justifications as part of the 2021 Budget cycle (see section 22.6). The purpose of the effort will be to identify processes, resources, and best practices in order to inform a timeline and additional guidance for full implementation of machine-readable performance plans and reports required by all Federal agencies in future Budget and Performance Planning and Reporting cycles (i.e., 2022 Budget and moving forward).

240.8. Management Challenges

Report performance improvement actions for major management challenges.

How should agencies report performance improvement actions for items identified as major management challenges in the Annual Performance Plan? The GPRA Modernization Act of 2010 (Pub. L. No. 111-352) requires agencies to describe the major management challenges the agency faces as part of the Agency Annual Performance Plan. Major management challenges are programmatic or management functions, within or across agencies, and may 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 (IG) identifies) or where failure to perform well could seriously affect the ability of an agency or the Federal Government to achieve its mission or goals. Agencies may consider IG recommendations on serious management and performance challenges as well as management issues and risks or areas most critical to the agency's mission delivery when developing performance goals as part of performance planning, or as an input to the agency's enterprise risk management planning and processes (See OMB Circular A-123). Where applicable, agencies should highlight instances where a performance goal has been developed as a result of a major management challenge, and include detailed performance information required in section 210. Agencies should address identified major management challenges in the Agency Annual Performance Plan as a part of Other Information if not addressed as agency priority or performance goals elsewhere in the performance plan. Agency discussion of major management challenges in the Annual Performance Plan should include: planned actions to address major management challenges; performance goals, indicators and/or milestones used to measure progress for the major management challenges identified; and the agency official (title and office) responsible for resolving such challenges. See section 210.

240.17. Performance Updates

Make updates on agency performance available on the web.

The GPRA Modernization Act requires each agency to make available on the web an update on agency performance. How and when will agencies publish the final Annual Performance Plan? Since the passage of the GPRA Modernization Act of 2010, agencies have been aligning the annual performance plan and report with the agency's congressional budget justification, both to improve the accessibility and usefulness of agency performance reporting for stakeholders, as well as to reduce the burden of duplicative planning and reporting timelines. The FY 2021 Annual Performance Plan should be developed to align with and publish concurrent with the agency's final FY 2021 congressional budget justification. The timeline for development and publication of the FY 2021 Annual Performance Plan is in section 200. Agencies must first submit electronically the draft Annual Performance Plan to OMB for review in September 2019 by posting it on the agency's Performance Submission Portal accessible from OMB's Performance Portal page on MAX Community. Notification to the Congress is transmitted electronically by the agency head when released publicly concurrent with the President's Budget in February. When delivering notification to the Congress, agencies should also notify the President by emailing the OMB Director at performance@omb.eop.gov. Agencies shall post a copy of the final document on the agency's website and provide a hyperlink to the plan on Performance.gov. Related submission questions should be emailed to performance@omb.eop.gov.

240.20. Significant Indicators

Provide more frequent updates on performance indicators of significant value to the Government, Congress, or program partners.

Stakeholder(s)

Government

Program Partners

Congress

The GPRA Modernization Act requires "more frequent updates of actual performance on indicators that provide data of significant value to the Government, Congress, or program partners at a reasonable level of administrative burden." How will agencies meet this requirement? Agencies report progress quarterly on Priority Goals of the Administration on Performance.gov. In addition, Cross-Agency Priority (CAP) Goal progress is updated quarterly by CAP Goal Leaders in coordination with the GSA, OMB and contributing agencies. All agencies are encouraged to report performance on their other performance goals more frequently than annually, if cost-effective, valuable, or required by Executive Order or other OMB memoranda and guidance to agencies. Each agency should determine the areas and kinds of information where more frequent data will lead to better decisions by the public, field offices, and delivery partners that generate more value and/or lower cost. Agencies should use their own websites to provide more frequent performance updates, where cost effective or required, and explore opportunities for establishing Application Programming Interface (API) feeds directly to Performance.gov. See "actionable information/data of significant value" in sections 200, 240.9, and 280.

240.21. Performance Reports

Publish FY 2019 performance reports with FY 2021 performance plans and FY 2021 budget justifications.

The GPRA Modernization Act requires each agency to make available on the website of the agency an update on agency performance. When are agencies required to publish the Annual Performance Report? With the passage of the GPRA Modernization Act of 2010, agencies have been aligning the annual performance plan and report with the agency's congressional budget justification, both to improve the accessibility and usefulness of agency performance reporting for stakeholders, as well as to reduce the burden of duplicative planning and reporting timelines. Agencies should publish their FY 2019 Annual Performance Report with their FY 2021 Annual Performance Plan and final FY 2021 congressional budget justification in February 2020. Small agencies will maintain the flexibility to publish the Annual Performance Report (APR) for FY 2019 on the agency's website as a Performance and Accountability Report (PAR) (November 2019), but are encouraged to produce a combined annual performance plan and report. Agencies will also be required to link to the APR from Performance.gov. Concurrent with the release of the agency's final FY 2021 congressional budget justifications, large (CFOAct) agencies are required to publish content from the Strategic Plan, Annual Performance Report, and Annual Performance Plan through Performance.gov. See sections 200 and 210 for more information on development timelines and required content for each plan and report.

240.22. Consultation

Work with OMB and Congress in the preparation of performance reports.

Stakeholder(s)

OMB

Congress

How are agencies expected to work with OMB or Congress in the preparation of the performance report? When preparing an agency-specific Annual Performance Report, agency staff and OMB should discuss the presentation and work out any concerns, if needed, in advance of the submission of the reports to the Congress. Agencies are encouraged to reach out to the Congress, where possible, to obtain input on how they might improve their communication of performance information to the Congress. Agencies should work with their legislative affairs offices to determine the best ways to consult with the Congress.

240.23. Delivery

Deliver performance reports to the President, Congress and the public.

Stakeholder(s)

President

The Public

Congress

How do agencies deliver the report to the President, Congress and the public? For the FY 2019 performance report, agencies should make Annual Performance Reports available on the agency website. A hyperlink to the agency performance report will also be published via Performance.gov. For notification to the President, agencies should post final reports on the agency's website, and email the Director of OMB at email performance@omb.eop.gov with the hyperlink to the published report. Agencies should notify the Congress electronically of the availability of the final Annual Performance Report. The report notification must be from the head of the agency, but may be transmitted electronically by his or her delegate. An agency may add other signatories, such as the Deputy Secretary, Chief Operating Officer, Performance Improvement Officer or Chief Financial Officer, as necessary to the transmittal, thus recognizing a shared responsibility within the agency. Transmittal letters to the Congress are addressed to the Speaker of the House of Representatives, the President of the Senate and the President pro tempore of the Senate. Copies of the congressional transmittal are sent electronically, unless otherwise requested in print by the Congress, to the chair and ranking minority members of the budget committees, relevant authorization and oversight committees, appropriation subcommittees, and the chair and ranking minority member of the Senate Committee on Homeland Security and Governmental Affairs and the House Oversight and Government Reform Committee. Agencies should work with their legislative affairs and congressional staff to determine the optimal way to transmit notification to the Congress. If an agency performance update includes any program activity or information that is specifically authorized under criteria established by an Executive Order to be kept secret in the interest of national defense or foreign policy and is properly classified, the head of the agency will make such information available in a classified appendix.

240.24. Report/Plan Consolidation

Consolidate annual performance reports with performance plans.

Should agencies consolidate the Annual Performance Report with the Annual Performance Plan? Yes. To streamline agency planning and reporting of performance information for stakeholders and more efficiently manage duplicative planning and reporting timelines, agencies are strongly encouraged, but not required, to consolidate the Annual Performance Plan and Annual Performance Report. Agencies are required to provide a hyperlink to Performance.gov from the agency's website where the Annual Performance Report is published.

240.25. Report Content

Include the specified information in performance reports.

What information should the Annual Performance Report contain? Annual Performance Reports should clearly articulate how the work of the agency benefits the public, enable the public to understand the actions agencies have taken to make progress and explain what the agency is doing to improve performance. The APR must address the content established in section 210, with agencies encouraged to format the FY 2019 APR by strategic goal and objective. The FY 2019 APR should include a summary assessment of progress as described in sections 210 and 270 for strategic objectives, and focus on comparing and reporting results achieved against performance goals and associated measures and indicators established in the agency's Annual Performance Plan. Agencies must still report the FY 2019 results of any performance goals and indicators that will be discontinued by the agency in future performance plans, and targets for dropped measures no longer need to be set or included in the FY 2021 Performance Plan.

240.27. Data Assessment

Assess the completeness, reliability, and quality of performance data.

Stakeholder(s)

Agency Heads :

Agency Head Responsibility. Agency heads are officially accountable for the accuracy and reliability of performance data. The agency head shall include in the transmittal letter

of the agency's APR a brief statement on the completeness and reliability of the performance data, and on what data limitations exist.

How should agencies assess the completeness, reliability, and quality of performance data reported in the Annual Performance Report? The GPRA Modernization Act of 2010 requires agencies to prepare information on the reliability of data presented. Agencies may develop a single data verification and validation appendix used to communicate the agency's approaches, and/or may also choose to provide information about data quality wherever the performance information is communicated (e.g., websites). Agencies should discuss their verification and validation techniques with their respective OMB Resource Management Office, if necessary. The transmittal letter included in Annual Performance Reports must contain an assessment by the agency head of the completeness and reliability of the performance data presented and a description of agency plans to improve completeness, reliability, and quality, where needed.

1. Limitations

Identify significant data limitations.

Data limitations. In order to assess the progress towards achievement of performance goals, the performance data must be appropriately valid and reliable for intended use. Significant or known data limitations should be identified to include a description of the limitations, the impact they have on goal achievement, and the actions that will be taken to correct the limitations. Performance data need not be perfect to be valid and reliable to inform management decision-making. Agencies can calibrate the accuracy of the data to the intended use of the data and the cost of improving data quality. At the same time, significant data limitations can lead to bad decisions resulting in lower performance or inaccurate performance assessments. Examples of data limitations include imprecise measurement and recordings, incomplete data, inconsistencies in data collection procedures and data that are too old and/or too infrequently collected to allow quick adjustments of agency action in a timely and cost-effective way.

2. Verification & Validation

Ensure the completeness and reliability of performance measurement data.

Verification and validation of performance data support the general accuracy and reliability of performance information, reduce the risk of inaccurate performance data, and provide a sufficient level of confidence to the Congress and the public that the information presented is credible as appropriate to its intended use. The GAO defines verification as a process of checking or testing performance information to assess other types of errors, such as errors in keying data. The GAO defines validation as an effort to ensure that data are free of systematic error or bias and that what is intended to be measured is actually measured. The GAO information can be found in the GAO publication GAO/GGD10.1.20 The Results Act, An Evaluator's Guide to Assessing Agency Annual Performance Plans. See also GAO's Verification and Validation of Performance Data. Agencies should have in place verification and validation (V&V) techniques that will ensure the completeness and reliability of all performance measurement data contained in their Annual Performance Plans and reports as appropriate to the intended use of the data. In addition, the Performance Improvement Council (PIC) through an interagency working group, has developed a Data Quality Maturity Model and Example Practices guidebook to assist agencies in improving their data quality programs over time. Copies of the guidebook can be obtained by emailing the PIC directly at PICStaff@pic.gov. The guidance that follows provides agencies with a list of

reasonable V&V criteria that when applied should increase the level of confidence the Congress and the public have in the performance information presented.

3. Internal Assessments

Assess internal verification and validation factors.

Agency internal assessments. Agencies are encouraged to consider the verification and validation factors outlined below.

3.1. Standards & Procedures

Implement standards and procedures.

1. Standards and procedures — • Source data are well defined, documented; definitions are available and used. • Collection standards are documented/available/used. • Data reporting schedules are documented/distributed/followed. • Supporting documentation is maintained and readily available. • Collection staff are skilled/trained in proper procedures.

3.2. Data Entry & Transfer

Address data entry and transfer issues.

2. Data entry and transfer — • Data entry methodology is documented and followed. • Data are verified as appropriate to the needed level of accuracy. • Procedures for making changes to previously entered data are documented and followed. • Data are available when needed for reporting, learning and critical decision making cycles. • Data entry staff are skilled and trained in proper procedures.

3.3. Data Integrity

Ensure data integrity.

3. Data integrity — • Whenever possible, data should be returned to data suppliers with value added so that data suppliers benefit from the analysis of the data and are engaged to improve its quality over time. • Third-party measurement is often preferable to self-measurement. • Administrative data that is used for other purposes and validated by its use can be a source of high-quality performance data at a relatively low cost.

3.4. Data Quality & Limitations

Address data quality and limitations.

4. Data quality and limitations — • Accuracy limits of all data are appropriate to their intended use. • Data limitations are explained and documented. • Method for handling anomalous data is established and used, not just to isolate data artifacts but also to search for promising practices to validate and possibly solve problems needing attention. • Third party evaluations are conducted. • Use of externally controlled data is documented.

3.5. Oversight & Certifications

Certify procedures and ensure accountability for data accuracy.

5. Oversight and certifications — • Accountability for data accuracy exists in a responsible employee's performance standards. • Responsible officials certify that procedures were followed each reporting period. • Responsible officials certify that data accuracy has been checked each reporting period.

4. External Assessments

Complement performance measurement with external assessments to improve the quality and comprehensiveness of performance data.

External assessments, such as evaluations and peer reviews can be helpful to determine data or information gaps and whether changes in performance trends are attributable, in whole or in part, to agency action or to other factors. Agencies are expected to consider the available evidence, including any available evaluation results, when conducting this analysis. As appropriate, such analysis should consider whether the goals and indicators have been validated through 1) research to be well correlated with ultimate outcomes; 2) implications of available research on the appropriateness of the measure; and 3) the relative strength or weakness of the measure overall. Agencies should determine when and how to complement performance measurement with evaluations or other high-quality external assessments to improve the quality and comprehensiveness of the data being reported. External Audits. It is important to note the GPRA Modernization Act of 2010 does not require the use of audits for performance data contained in Annual Performance Plans or reports.

6. Scope

Apply judgment when deciding which performance indicators to verify and validate.

Because most agencies process a large amount of performance measurement data, agencies should apply judgment when deciding which performance indicators will be verified and validated. Agencies should consider priorities, spending, GAO high risk lists, IG reports and management challenges.

7. Frequency

Determine the appropriate frequency of validation and verification.

Frequency of Validation and Verification. Agencies should determine the appropriate frequency of validation and verification needed for the intended use and should allocate appropriate resources to carry out validation and verification on an appropriately periodic basis. Data presented annually should typically be validated annually or biennially.

Administrative Information

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