



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

DEPUTY DIRECTOR  
FOR MANAGEMENT

May 31, 2007

MEMORANDUM TO THE PRESIDENT'S MANAGEMENT COUNCIL

FROM: Clay Johnson III 

SUBJECT: Where We'd Be Proud To Be on July 1, 2009

To help you drive management improvements in your agency and government-wide, we have established a process where each year you set goals for where you would be proud to be in your implementation of the President's Management Agenda (PMA) by the next July 1. Because of your hard work, the PMA scorecard is mostly yellow and green, reflecting that agencies have put or are putting in place strong management practices.

The President has charged us to make the government more effective, the next two years and beyond, with these new management disciplines and practices. Therefore, this year's Proud to Be exercise will focus particular attention to ensuring improved effectiveness and efficiency. We are renaming the Budget and Performance Integration Initiative the *Performance Improvement Initiative* and applying the criteria to ensure agencies are accountable for:

- The quality and aggressiveness of their program goals and performance improvement plans, and
- Annual improvements in program performance.

We will be working with each of you to improve how you report program performance so it is more useful to you: one set of performance information and goals, and performance improvement plans that build on past performance and identify opportunities for greater effectiveness and efficiency. Performance should be reported at a time and in such a manner that recognizes past achievements and motivates future success.

I have charged each of the management councils to determine how their members can best help to drive and enable program performance improvement. Over the next few weeks, your agency's representatives to these councils will be discussing this issue and identifying the steps they will take to ensure that they help your agency and its programs achieve better results. The actions they identify will be incorporated into the goals and milestones for the PMA initiatives, as well as your own agency's Proud to Be plans.

This year we will set Proud To Be goals for a two-year period to focus agency attention on continued management effectiveness. Each agency should indicate where they would be proud to be on July 1, 2008, and on July 1, 2009, with regard to each initiative. For your July 1, 2008

goals you will also identify each Standard for Success you expect to achieve, the milestones you intend to meet, and the results you would be proud to achieve in each initiative area. Each agency should submit its proposed Proud to Be document to its OMB Resource Management Office contact by June 28, 2007. Upon receipt of your proposed Proud to Be document, OMB and OPM staff will work with you to review your goals and refine them when appropriate. We should aim to finalize all Proud to Be goals by the end of July.

The initiative owners have identified what they will do to help agencies achieve their goals. I would appreciate your suggestions for other ways the initiative owners could help you achieve green.

Here is some additional information to help you with this exercise:

- There are revisions to the Standards for Success. These new standards will go into effect on July 1, 2007. (See Attachment A for a summary of changes to the Standards for Success.)
- Attachment B provides the green and yellow Standards for Success for each of the initiatives. Changes to the current standards are identified through the use of strikethrough and underline. Attachment B also includes information on what the initiative owners will do to help agencies and government-wide goals for the initiatives.
- Listed agency milestones need not be as detailed as the milestones negotiated with each quarter through the scorecard process. Their inclusion here should supplement rather than replace the quarterly negotiations/adjustments.
- We recognize that these are plans and that they may need to be adjusted throughout the year. We will use the scorecard process to make those adjustments.
- You do not need to identify specific milestones for the period of July 1, 2008 – June 30, 2009 at this time. Instead, you should provide a brief explanation of your July 1, 2009 goals.
- For the remaining program initiatives that apply to one or two agencies, you should work with your OMB contacts to make any necessary clarifications to the Standards for Success and identify appropriate milestones.

Please call me (202-456-7070) or Diana Espinosa (202-395-7790) if you have questions about this exercise.

#### Attachments

Attachment A: Summary of Changes to Standards for Success

Attachment B: Initiative Owners' Proud to Be for Five Government-wide Initiatives and Selected Program Initiatives

Attachment C: What the Agency Fills Out

## SUMMARY OF CHANGES TO STANDARDS FOR SUCCESS

### GOVERNMENT-WIDE INITIATIVES

#### Strategic Management of Human Capital

- Green standard for strategic alignment requires evidence that various agency human capital-related plans are strategically integrated.
- Green standard for performance management increases the percent of workforce covered to 70%.
- Green and yellow standards for performance management replace “beta site” term with “performance pilot.”
- Green and yellow standards for under-representation were clarified to focus on workforce diversity.
- Green standards relating to succession and competency gap closure require that gap closure efforts support organizational objectives.
- Green standard relating to hiring timeline and applicant notification standards increased from 50% to 70%; additionally, significant reductions in the time to hire mission critical occupations must be achieved.
- Yellow standard relating to accountability requires the Systems, Standards, and Metrics results be included in the annual accountability report.

#### Competitive Sourcing

- Green and yellow require agencies to track and review costs, savings, and performance data of the selected service provider, and ensure corrective action is taken when needed.
- Maintaining green and yellow require agencies to develop plans for and execute, in a timely manner, the independent validation of a reasonable sampling of competitions.

#### Improved Financial Performance

- Added the following green standards:
  - Reports in its audited financial statements that its systems are in compliance with the Federal Financial Management Improvement Act.
  - Has no repeat material auditor-reported internal control weaknesses.
  - Has no repeat material weaknesses or non-conformances reported under Section 2 Over Financial Reporting and Section 4 of the Federal Managers’ Financial Integrity Act that impact the agency’s internal control over financial reporting or financial systems.
- Modified the yellow standards to include:
  - Has no more than one repeat material auditor-reported internal control weaknesses.
  - Has no more than one repeat material weakness reported under Section 2 Over Financial Reporting and no more than one non-conformance reported under Section 4 of the Federal Managers’ Financial Integrity Act.
- Deleted the following yellow and made it a green standard:

- Reports in its audited annual financial statements that its systems are in compliance with the Federal Financial Management Improvement Act.

#### Expanded Electronic Government

- Green and yellow standards relating to Enterprise Architecture have been modified to require demonstration of agency's use of enterprise architecture to inform agency decision making and the results from that use.
- Added a Maintaining Green Standard relating to having a plan to meet necessary communication requirements for Continuity of Operations and Continuity of Government activities.

#### Performance Improvement Initiative

- No changes.

### SELECTED PROGRAM INITIATIVES

#### Eliminating Improper Payments

- No changes.

#### Faith-based and Community Initiative

- Green requires agencies to implement within the FY 2007 grants cycle a) innovative grant strategies designed to expand opportunities for partnership with grassroots faith-based and community organizations, and b) technical assistance projects to enable increased incorporation of faith-based and community organizations within Federally-funded state and local programs.
- Other activities required by the standards have been narrowed to enable greater focus on key objectives.

#### Federal Real Property Asset Management

- No changes.

#### Improved Credit Management

- Previously negotiated criteria will now be made public, as will agency scores.

## **PROUD TO BE 5 - GOALS FOR JULY 1, 2009**

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# GOVERNMENT-WIDE INITIATIVES

## Strategic Management of Human Capital

Owner: Linda Springer (202-606-1000)

### GREEN Standards for Success

Agency:

- Implemented a comprehensive Human Capital Plan that is current and fully integrated aligns with the agency's overall strategic plan and annual performance goals, and budgetary priorities; demonstrates that Human Capital planning efforts (including workforce, succession, accountability, survey action and other Human Capital-related plans) are strategically integrated; analyzed the implementation results relative to the plans and used them in decision making to drive continuous improvement;
- ~~Analyzed exiting~~ Implemented an organizational structure that provides greater efficiencies in serving customers and stakeholders, reduces overall program costs and improves performance. The agency's workforce plan delineates how ~~s from service and cost perspectives and is implementing a plan to~~ effectively deploy, restructure, and/or delayer the workforce; and to use competitive sourcing, E-Gov solutions, as necessary; and the agency has process(es) in place to continuously review the organizational structure and update it to address future changes in business needs in a timely manner;
- Succession strategies, including structured leadership development programs, result in adequate leadership talent pool bench strength; agency meets its targets for closing leadership competency gaps; and agency determined that bench strength and competency gap closure support organizational objectives;
- Demonstrates that it has performance appraisal and awards systems for all SES and managers, and more than 70% of the workforce, that effectively: link to agency mission, goals, and outcomes; hold employees accountable for results appropriate for their level of responsibility; differentiate between various levels of performance (i.e., multiple performance levels with at least one summary rating above Fully Successful); and provide consequences based on

performance. ~~In addition, at a beta site, there is evidence that clear expectations are communicated to employees; rating and awards data demonstrate that managers effectively planned, monitored, developed and appraised employee performance; and the site is ready to link pay to the performance appraisal systems. The agency has significantly increased the size of the beta site and is working to include all agency employees under such systems;~~

- Implemented a performance pilot, providing evidence that at the pilot site clear expectations are communicated to employees; rating and awards data demonstrate that managers effectively planned, monitored, developed and appraised employee performance; and the pilot site is ready to link pay to the to the performance appraisal systems. In addition, the agency significantly increased the number of employees covered under the pilot systems; and achieved a score of 80 or above on PAAT on the original and expanded performance pilots;
- Reduced under representation, particularly in mission-critical occupations and leadership ranks; established processes to sustain diversity; Implemented programs that are designed to recruit broadly, attract a diverse applicant pool and use the talents of the agency's workforce; has a process to sustain workforce diversity;
- Meets targets for closing competency gaps in mission critical occupations (i.e., agency-specific, human resources management, information technology, acquisition and agency-specific occupations leadership), significantly reduced the number of vacant positions in MCOs, and used appropriate and integrates appropriate competitive sourcing and E-Gov solutions within the into gap closure strategy; demonstrates how gap closure supports organizational objectives;
- Implemented a comprehensive strategy from improving hiring process and ensuring highly qualified candidates are recruited and retained; at least 70% of agency hires are made and applicants notified of their status within 45 business days, achieved a significant reduction in the time to hire employees in MCOs; met aggressive SES hiring timelines, and met targets for hiring process improvements based on the Hiring Satisfaction Survey; integrated Career Patterns initiative into its recruitment and hiring strategy; optimized the use of hiring flexibilities including category rating; AND Meets 45-day time to hire standard, 45-day standard to notify applicants of hiring decision for 50% of

~~hires, targets for hiring process improvements based on CHCO Council criteria;~~

- ~~• Sets and meets aggressive SES hiring timelines progressing toward a 30-day average; AND~~
- ~~• Periodically conducts accountability reviews with OPM participation, taking~~  
Took corrective and improvement action, within prescribed timeframes, based on findings and the results of the accountability activities, and providing annual report to agency leadership and OPM for review and approval.

### **YELLOW Standards for Success**

Agency:

- Develops, documents and communicates throughout the agency a comprehensive Human Capital Plan that:
  - Is current and clearly aligns with the agency's current mission, strategic plan, and annual performance goals, and budgetary priorities;
  - Fully addresses the Human Capital Assessment and Accountability Framework (HCAAF);
  - Strategically integrates and drives all human capital planning efforts, including workforce, succession, diversity, Federal Human Capital Survey/Annual Employee Survey action, accountability planning and other HC-related activities;
  - Includes general HC goals and objectives including outcome-oriented goals and objectives;
  - Incorporates metrics that: 1) Measure outcomes, 2) Have clear, obtainable targets, and 3) include timelines for implementation; and
  - Designates accountable officials;
- Analyzed existing organizational structures from a service delivery, cost, and general workforce planning perspective. Relevant workforce solutions

including, using redeployment and delayering are deployed as necessary;

- Implemented succession management strategies, including structured leadership development programs, to assure continuity of leadership; sets targets for closing leadership competency gaps (including those addressing gaps in performance management competencies); implements gap closure strategies, and meets key milestones outlined in succession management plan;
- Implemented merit-based appraisal plans and awards programs that link to agency mission, goals and outcomes; hold employees accountable for results appropriate for their level of responsibility; differentiate between various levels of performance; and provide consequences based on performance for all SES and managers. Implementing, at a performance pilot (formerly “beta site”), performance appraisal and awards systems that are fair, credible and transparent; assure managers are competent in their role as managers; hold managers accountable for managing employee performance, as reflected in their performance plans and ratings; and include employee involvement and feedback. The agency is working has expanded the performance pilot to cover a significant proportion of employees, and is working to include all agency employees under such systems;
- Implemented strategies to address under representation workforce diversity, particularly in mission-critical occupations and leadership ranks;
- Conducted a workforce analysis to identify competency gaps in mission-critical occupations , set targets, and address competency gaps in mission-critical occupations, (i.e., agency-specific, human resources management, information technology, acquisition, and agency-specific occupations leadership); determine current and future human resource needs, sets targets and developed short and long-term strategies to close gaps, including targeted employee development, recruitment and retention programs; and meets key milestones;
- Implements a strategy for improving its hiring process that focuses on recruiting and retaining top talent and reducing timelines for hiring applicants, and integrates the Career Patterns initiative; implements an ~~Has regular~~, auditable system(s) for collecting and analyzing data on stages of the hiring process consistent with the CHCO Council criteria; sets a hiring timeline target based on the and sets a target for time from closing of announcement until offer is made

(e.g., average of 30 days for SES and 45 days for all non-SES); **AND**

- Implements the Human Capital Accountability System approved by OPM; provides annual accountability report, which includes System, Standards, and Metrics (SSM) results, outlining the effectiveness of the agency's human capital program and accountability system to the Agency Head, leadership, and OPM, and results are used to inform and update the Accountability Plan as needed; and Has developed an OPM-approved accountability system, based on the HCAAF; the system uses outcome measures to make human capital decisions, demonstrate results, and drive continuous improvement in human capital standards. The system includes agency periodically conducts ing periodic accountability reviews with OPM participation, taking corrective and improvement action based on findings and results, and providing an annual report to agency leadership and OPM for review and approval..

### **KEY MILESTONES – What the Initiative Owner Will Do**

#### FY 2007 – Fourth Quarter

- Provide System, Standards, and Metrics training (SSM) to CHCO agencies.
- Provide HRM competency assessment tool for agencies to conduct assessment/reassessment and set HRM gap closure targets including performance management competencies.
- Provide guidance and technical assistance to agencies in developing aggressive targets for closing competency gaps for mission critical occupations (i.e., agency-specific, human resources management, information technology, leadership, and acquisition).
- Conduct hiring flexibilities training for CHCO agencies.
- Release 2007 Human Capital Accountability Report guidance.

#### FY 2008 – First Quarter

- Release Hiring Toolkit Version 2.0
- Issue the SES PAAT and provide training
- Work with agencies to develop aggressive targets for closing competency gaps for the acquisition occupation
- Conduct Promising Practices showcase and forum on human capital management

### FY 2008 – Second Quarter

- Provide feedback to agencies on annual HC accountability report
- Conduct Promising Practices showcase and forum on human capital management
- Provide SES PAAT training
- Provide performance management competency development resources including curriculum maps to agencies

### FY 2008 – Third Quarter

- Conduct workshop on diversity planning for agencies
- Provide feedback to agencies on accountability report outlining agreed areas for improvement.
- Conduct Promising Practices showcase and forum on human capital management
- Provide HRM and Leadership competency assessment tool for assessment/reassessment to determine competency gap closure

### On-going

- Provide technical assistance to agencies in all aspects of the Human Capital Assessment and Accountability Framework and the HC Standards for Success, including strategic alignment, talent and succession management, performance culture, and accountability.
- For agencies with provisional certification of their SES appraisal systems, conduct SES appraisal system certification reviews and provide extensive feedback to agencies about strengths and weaknesses on their systems. After January 1, 2008, for agencies with full certification, score the SES PAATs as they are received and provide feedback.
- Score PAATs as they are received and provide extensive feedback to the agency on PAAT results and areas for improvement.
- Conduct a Performance Management Forum every other month. The purpose of the forum is to provide an opportunity for program managers and performance management pilot members to network, share lessons learned and successful practices, and to hear updates from OPM.
- Participate with agencies on accountability reviews.

**GOVERNMENT-WIDE RESULTS – We Would Be Proud to Achieve**

- 100% of agencies are able to clearly demonstrate how human capital management programs support mission accomplishment (by June 30, 2009)
- 80% of agencies meet targets to close competency gaps for Mission Critical Occupations (i.e., agency-specific, HRM, IT, acquisition, and leadership) and demonstrate how closing competency gaps support organizational goals (by June 20, 2009)
- 18 CHCO agencies improve their performance management practices as measured by the Performance Appraisal Assessment Tool.
- 100% of CHCO agencies meet 45 day hiring and applicant notification standards for 70% of non-SES hires.
- 15 CHCO agencies improve hiring practices as measured by the Hiring Satisfaction Survey.
- 100% of CHCO agencies categorize their positions by the new Career Patterns to close competency gaps.
- All CHCO agencies have implemented an OPM approved human capital accountability system.

## Competitive Sourcing

Owner: Paul Denett (202-395-5802)

### GREEN Standards for Success

Agency:

- Has an OMB approved “green” competition plan to compete commercial activities available for competition;
- Publicly announces standard competitions in accordance with the schedule outlined in the agency “green” competition plan;
- Since January 2001, has completed at least 10 competitions (no minimum number of positions required per competition) or has completed a sufficient number of large competitions to demonstrate meaningful use of competitive sourcing;
- In the past four fiscal quarters, completed 90% of all standard competitions in a 12-month timeframe or timeframe otherwise approved in accordance with the Circular;
- In the past four fiscal quarters, completed 95% of all streamlined competitions in a 90-day timeframe or timeframe otherwise approved in accordance with the Circular;
- In the past year, canceled fewer than 10% of publicly announced standard and streamlined competitions;
- Has OMB reviewed written justifications for all categories of commercial activities determined to be unsuitable for competition;
- Tracks and reviews actual costs, savings, and quality of performance of the selected public- or private-sector service providers for all performance periods and ensures corrective action is taken when required;

- Structures competitions in a manner to encourage participation by both private and public sectors as typically demonstrated by receipt of multiple offers and/or by documented market research, as appropriate;
- Regularly reviews work performed once competitive sourcing studies are implemented to determine if performance standards in contract or agreement with agency provider are met and takes corrective action when provided services are deficient.
- Submits quarterly reports to OMB’s competitive sourcing tracking system regarding status of pending competitions and results achieved; **AND**
- Has positive anticipated net savings and/or significant performance improvements from competitions completed either in last fiscal year for which data has been officially reported to Congress by OMB or in the past three quarters.

### **Standards for Success to MAINTAIN GREEN**

- Has expressly coordinated “green” competition plan annual updates with agency’s Chief Human Capital Officer; **AND**
- ~~Through sampling, independently validates that savings to be achieved for the prior fiscal year were realized.~~
- Has an OMB-approved plan for independently validating results from a sampling of competitions and completes validations in accordance with the schedule outlined in the plan.

### **YELLOW Standard for Success**

Agency:

- Has an OMB approved “yellow” competition plan to compete commercial activities available for competition;

- Has completed one standard competition or has publicly announced standard competitions that exceed the number of positions identified for competition in the agency’s “yellow” competition plan;
- In the past two quarters, has completed 75% of streamlined competitions in a 90-day timeframe or timeframe otherwise approved in accordance with the Circular;
- In the past two quarters, has canceled fewer than 20% of publicly announced standard and streamlined competitions;
- Tracks and reviews actual costs, savings, and quality of performance of the selected private- or public-sector service provider for all performance periods and ensures corrective action is taken when required;
- Submits quarterly reports to OMB’s competitive sourcing tracking system regarding status of pending competitions and results achieved.
- Has positive anticipated net savings and/or performance improvements from competitions completed either in the last fiscal year for which data has been officially reported to Congress by OMB or in the past two fiscal quarters; or has taken corrective actions to address identified weaknesses; **AND**
- Has an OMB-approved plan for independently validating results from a sampling of competitions and completes validations in accordance with the schedule outlined in the plan.

### **KEY MILESTONES – What the Initiative Owner Will Do**

#### FY 2007 – Fourth Quarter

- Issue guidance for agency reports to Congress on FY 2007 competitive sourcing efforts.
- Review agency revised competition plans.
- Work with agencies to identify an appropriate sampling of competitions for validation.

#### FY 2008 – First Quarter

- Review agency draft reports to Congress on FY 2007 competitive sourcing efforts.
- Deploy updates to the competitive sourcing tracking system for the reporting of validation results and other post competition reviews.

#### FY 2008 – Second Quarter

- Issue FY 2008 Federal Activities Inventory Reform (FAIR) Act guidance.
- Issue OMB's FY 2007 Report to Congress on Competitive Sourcing Results.
- Publish agencies' FY 2007 FAIR Act inventories in the Federal Register.

#### FY 2008 – Third Quarter

- Work with Chief Acquisition Officer Council (CAOC) to update Manager's Guide to Competitive Sourcing.
- Update costing factors in Circular A-76.

#### On-going

- Work with CAOC to identify and publicize competitive sourcing achievements and best management practices.
- Work with Congress to eliminate legislative barriers to competitive sourcing.
- Work with agencies to review results of independent validations.

### **GOVERNMENT-WIDE RESULTS - We Would Be Proud to Achieve**

- By 9/30/08, increase projected annual net savings from agency competitions from \$1.1 billion/year to \$1.7 billion/year with comparable increases in FY 2009.
- Ensure that no agencies have negative anticipated savings for FY 2007 – 2009.
- Maintain the percentage of completed standard competitions that have one or more private sector offers at 90% in FYs 2007 - FY 2009 and the percentage of competitions with two or more offers to 65% in FY 2007 and 70% in FY 2008 and 75% in FY 2009.
- Increase percentage of streamlined competitions with MEOs from 60% to 75% in FY 2008 and to 80% in FY 2009.

- Increase number of green agencies to 15; reduce number of red agencies to 3 or fewer.
- By 9/30/08, all agencies have completed validations in accordance with their plans that confirm significant savings and performance improvements.

## **Improved Financial Performance**

Owner: Linda Combs (202-395-6059)

### **GREEN Standards for Success**

Agency:

- Meets all Yellow Standards for Success;
- Currently produces accurate and timely financial information that is used by management to inform decision-making and drive results in key areas of operations; ~~and~~
- Is implementing a plan to continuously expand the scope of its routine data use to inform management decision-making in additional areas of operations;
- Reports in its audited financial statements that its systems are in compliance with the Federal Financial Management Improvement Act;
- Has no repeat material auditor-reported internal control weaknesses; AND
- Has no repeat material weaknesses or non-conformances reported under Section 2 Over Financial Reporting and Section 4 of the Federal Managers' Financial Integrity Act that impact the agency's internal control over financial reporting or financial systems.

### **YELLOW Standards for Success**

Agency:

- Receives an unqualified audit opinion on its annual financial statements;
- Meets financial statement reporting deadlines;
- ~~Reports in its audited annual financial statements that its systems are in compliance with the Federal Financial Management Improvement Act;~~

- Has no chronic or significant Anti- Deficiency Act Violations;
- Has no more than one repeat material auditor-reported internal control weaknesses;
- Has no material non-compliance with laws or regulations; **AND**
- Has no more than one repeat material weaknesses or non-conformances reported under Section 2 Over Financial Reporting and no more than one non-conformance reported under Section 4 of the Federal Managers' Financial Integrity Act ~~that impact the agency's internal control over financial reporting or financial systems.~~

### **KEY MILESTONES – What the Initiative Owner Will Do**

#### FY 2007 – Fourth Quarter

- Obtain and verify status (based on indicators of progress) for material weaknesses scheduled for resolution in FY 2007.
- Ensure that all agencies eligible for a status upgrade in FY 2008 – Quarter 1 are on track to (1) demonstrate how the agencies currently use financial information in decision-making and (2) are expanding the use of financial information in decision-making.

#### FY 2008 – First Quarter

- Work with agencies to develop and implement corrective action plans (CAPs) for material weaknesses reported in FY 2007 Performance and Accountability Report (PAR).
- Ensure that all agencies eligible for a status upgrade in FY 2008 – Quarter 1 are on track to (1) demonstrate how the agencies currently use financial information in decision-making and (2) are expanding the use of financial information in decision-making.

#### FY 2008 – Second Quarter

- Obtain and verify status (based on indicators of progress) for material weaknesses scheduled for resolution in FY 2008.
- Meet individually with agency CFOs/IGs to:
- Discuss status/plans for material weakness resolution; and

- Obtain / verify that all corrective action plans have acceptable indicators of progress (with emphasis placed on weaknesses scheduled for resolution during FY 2008).
- Ensure completion of agency FFMIA compliance plans.

#### FY 2008 – Third Quarter

- Obtain and verify status (based on indicators of progress) for material weaknesses scheduled for resolution in FY 2008.
- Ensure that all agencies eligible for a status upgrade in FY 2009 – Quarter 1 are on track to (1) demonstrate how the agencies currently use financial information in decision-making and (2) are expanding the use of financial information in decision-making.

#### On-going

- Continue work with agencies to develop and implement CAPs for auditor-reported material weaknesses, FFMIA weaknesses, and FFMIA non-compliances identified in agency's annual fiscal year PAR, including identifying and prioritizing activities to better direct resources towards corrective actions that will have the greatest impact.
- Continue routine (e.g., monthly, quarterly) follow-up with agency CFOs (and IGs as necessary) with routine progress monitoring (e.g., review corrective action plans for resolving material weaknesses, review efforts to implement financial systems).
- Maintain frequent interaction with agencies to assist in resolving new and longstanding material weaknesses.
- Maintain frequent interaction with agencies implementing financial management systems to ensure that they comply with the Financial Management Line of Business and are reducing implementation risk, minimizing cost and schedule slippage, and improving implementation results.
- Maintain frequent interaction with agencies to ensure that they are using financial information to improve decision-making.
- Share best practices for addressing audit findings among Federal agencies.

### **GOVERNMENT-WIDE RESULTS - We Would Be Proud to Achieve**

- All agencies sustain ability to submit audited financial statements within 45 days after the end of the fiscal year (with an unqualified opinion) and the government-wide financial statements available for release on December 15th.
- Achieve 22 unqualified opinions on audited financial statements for CFO Act agencies and more than 23 unqualified opinions for PMA agencies.
- Reduce material weaknesses 10% annually from the FY 2006 baseline of 41 to 37 in FY 2008 and 33 in 2009.
- Increase number of green agencies to 20 or more.
- Achieve full implementation of A-123 Appendix A internal control requirements at all CFO Act agencies.
- Agency best practices shared among CFO Act agencies to assist in eliminating financial deficiencies and leveraging government-wide solutions.

## **Expanded E-Government**

Owner: Karen Evans (202-395-1181)

### **GREEN Standards for Success**

Agency:

- Has an Enterprise Architecture with a score of 4 in the “Completion” section and 3 4 in both the “Use” and “Results” sections;
- Has acceptable business cases for all major systems investments and no business cases on the “management watch list;”
- Has demonstrated appropriate planning, execution, and management of major IT investments, using EVM or operational analysis and has portfolio performance within 10% of cost, schedule, and performance goals;
- Inspector General or Agency Head verifies the effectiveness of the Department-wide IT security remediation process and rates the agency certification and accreditation process as “Satisfactory” or better;
- Has 90% of all IT systems properly secured (certified and accredited); **AND**
- Adheres to the agency-accepted and OMB-approved implementation plan for all of the appropriate E-Gov/Lines of Business/SmartBuy initiatives and has transitioned and/or shut down investments duplicating these initiatives in accordance with the OMB-approved implementation plan.

### **Standard for Success to MAINTAIN GREEN**

Agency:

- Has ALL IT systems certified and accredited;

- Has IT systems installed and maintained in accordance with security configurations;
- Has demonstrated for 90% of applicable systems a Privacy Impact Assessment has been conducted and is publicly posted;
- Has demonstrated for 90% of systems with personally identifiable information a system of records has been developed and published; **AND**
- Has an agreed-upon plan to meet necessary communication requirements for COOP and COG activities.

### **YELLOW Standards for Success**

Agency:

- Has an Enterprise Architecture with a score of 4 in the “Completion” section and  $\geq 4$  in either the “Use” or “Results” sections;
- Has acceptable business cases for more than 50% of its major IT investments;
- Submits security reports to OMB that document consistent security improvement and either:
  - 80% of all IT systems are properly secured; **OR**
  - Inspector General or Agency Head verifies the effectiveness of the Department-wide IT Security Plan of Action and Milestone Remediation Process;
- Has demonstrated appropriate planning, execution, and management of major IT investments, using EVM or operational analysis, and has IT portfolio performance operating within 30% of cost, schedule, and performance goals; **AND**
- Has an up-to-date agency-accepted and OMB- approved implementation plan for all of the appropriate E-Gov/Lines of Business/SmartBuy initiatives rather than creating redundant or agency unique IT projects.

## **KEY MILESTONES – What the Initiative Owner Will Do**

### FY 2007 – Fourth Quarter

- Review agency Federal Information Security Management Act (FISMA) Plan Of Actions & Milestones (POA&M)s for maintaining green criteria for privacy and security.
- Work with agencies and RMOs to address “management watch list” projects and apportion Development, Modernization, and/or Enhancement (DME) funds for any remaining business cases on the list.
- Finalize changes to sections 300 and 53 of A-11.
- Evaluate agency progress and provide feedback on the use of Earned Value Management (EVM) to plan and manage Information Technology (IT) projects.
- Review agencies’ milestone progress on their agency accepted and Office of Management and Budget (OMB)-approved E-Gov/LoB/Smartbuy implementation plan.
- Provide to agencies’ EA milestone criteria and guidance which will be used for quarterly progress reviews.
- Review and provide feedback to agencies’ milestone progress on their Enterprise Architecture (EA) program.
- Meet with all agencies’ to provide feedback on their current efforts of E-Gov initiative including EVM, EA and any other outstanding issues

### FY 2008 – First Quarter

- Review agency FISMA POA&Ms for maintaining green criteria for privacy and security.
- Evaluate agency progress and provide feedback on the use of EVM to plan and manage IT projects.
- Analyze agency and IG FISMA reports.
- Conduct a review of key agency IT projects.
- Review agencies’ milestone progress on their agency accepted and OMB-approved E-Gov/LoB/Smartbuy implementation plan.
- Review and provide feedback to agencies’ milestone progress on their EA program.

### FY 2008 – Second Quarter

- Review agency FISMA POA&Ms for maintaining green criteria for privacy and security.
- Evaluate agency progress and provide feedback on the use of EVM to plan and manage IT projects.
- Prepare E-gov Act and FISMA Report to Congress.
- Work with agencies and RMOs to address “management watch list” projects.
- Review agencies’ milestone progress on their agency accepted and OMB-approved E-Gov/LoB/Smartbuy implementation plan.
- Review and provide feedback agencies’ milestone progress on their EA program.
- Conduct annual comprehensive review of agencies’ EA programs including feedback to agencies. NOTE: This is the quarter when the agencies’ EA scores will be reflected on the scorecard.

#### FY 2008 – Third Quarter

- Review agency FISMA POA&Ms for maintaining green criteria for privacy and security.
- Evaluate agency progress and provide feedback on the use of EVM to plan and manage IT projects.
- Work with agencies and RMOs to address “management watch list” projects and apportion DME funds for any remaining business cases on the list, if necessary.
- Review and provide feedback to agencies’ milestone progress on their EA program. NOTE: This quarter is when agencies are to achieve their requirements for IPv6 implementation
- Review agencies’ milestone progress on their agency accepted and OMB-approved E-Gov/LoB/Smartbuy implementation plan.

#### On-going

- Work with agencies and RMOs to address “management watch list” projects.
- Work with agencies and RMOs to address appropriation issues associated with E-Gov.
- Work with agencies and and RMOs to address privacy and security issues as necessary.

### **GOVERNMENT-WIDE RESULTS - We Would Be Proud to Achieve**

- Agencies continue to use their EA to eliminate redundant business functions. The elimination of functions/systems will show true cost savings and not just "cost avoidance."
- 85% of agencies will have acceptable business cases for all of their IT projects.
- 90% of all IT systems are properly secured (C&A), including the IG's (or Agency Head's) verification of the effectiveness of the department or agencies IT security remediation plan.
- 75% of the agencies are managing their IT portfolio in accordance with the ANSI standard and averaging at least 10% of cost, schedule, and performance.
- Senior Official for Privacy ensures 90% of applicable systems have publicly posted privacy impact assessments.
- Senior Official for Privacy ensures 90% of systems with personally identifiable information have developed, published, and maintained systems of records notices.

## Performance Improvement Initiative

Owner: Robert Shea (202-395-4568)

### GREEN Standards for Success

Agency:

- Senior agency managers meet at least quarterly to examine reports that integrate financial and performance information that covers all major responsibilities of the Department. Agency works to improve program performance and efficiency each year;
- Strategic plans contain a limited number of outcome-oriented goals and objectives. Annual budget and performance documents incorporate measures identified in the PART and focus on the information used in the senior management report described in the first criterion;
- Reports the full cost of achieving performance goals accurately in budget and performance documents and can accurately estimate the marginal cost of changing performance goals;
- Has at least one efficiency measure for all PARTed programs;
- Uses PART evaluations to direct program improvements and hold managers accountable for those improvements, and PART findings and performance information are used consistently to justify funding requests, management actions, and legislative proposals; **AND**
- Less than 10% of agency programs receive a Results Not Demonstrated rating for two years in a row.

### Standard for Success to MAINTAIN GREEN

Agency:

- Improves program performance and efficiency each year, **AND**
- Uses marginal cost analysis to inform resource allocations, as appropriate.

### **YELLOW Standards for Success**

Agency:

- Senior agency managers meet at least quarterly to examine reports that integrate financial and performance information that covers some of the major responsibilities of the Department. Agency can demonstrate information is used to improve performance of agency programs;
- Strategic plans contain a limited number of outcome-oriented goals and objectives. Annual budget and performance documents incorporate measures identified in the PART process;
- The full cost of achieving performance goals is accurately reported in budget and performance documents;
- At least 50% of agency programs rated by the PART have at least one efficiency measure;
- PART findings and performance information are used to justify funding requests, management actions, and legislative proposals, and agency assigns specific individuals responsibility for implementing program improvement plans; **AND**
- No more than 50% of agency programs receive a Results Not Demonstrated rating for two years in a row.

### **KEY MILESTONES – What the Initiative Owner Will Do**

FY 2007 – Fourth Quarter

- Establish Performance Management Council in Executive Order.
- Provide guidance on performance reporting pilot.

- Conduct PART consistency check and appeals process.
- Publicize newly completed PARTs.
- Analyze performance and improvement plan data in ExpectMore.gov and provide feedback to agencies.

#### FY 2008 – First Quarter

- Assess additional crosscutting areas to determine which should be pursued.
- Solicit examples of high-performing programs from agencies to publicize what we mean by making programs more effective.
- Host rigorous evaluation workshop.

#### FY 2008 – Second Quarter

- Brief Congress (authorizers, appropriators, overseers on completed and planned PARTs).
- Conduct PART training.
- Gather and share best practices in efficiency measurement and improvement.

#### FY 2008 – Third Quarter

- Revise ExpectMore.gov to provide best practices in: performance measurement; logic modeling; and evaluation

### **GOVERNMENT-WIDE RESULTS - We Would Be Proud to Achieve**

- 21 agencies are Green.
- Improve (or establish) ratings for 35% of programs previously rated Results Not Demonstrated.
- 100 percent of programs have efficiency measures.
- 75 percent of programs achieve their efficiency targets.
- All agencies can demonstrate use of performance information to improve results.

## **SELECTED PROGRAM INITIATIVES**

### **Eliminating Improper Payments<sup>1</sup>**

Owner: Linda Combs (202-395-6059)

#### **GREEN Standards for Success**

Agency:

- Has met all Yellow Standards for Success;
- Demonstrates that improper payments are being reduced consistent with reduction targets; AND
- Has established improper payments recovery targets, where appropriate, and is actively meeting such targets.

#### **YELLOW Standards for Success**

Agency:

- Has a risk assessment in place that identifies all programs that are at significant risk of improper payments;
- Has an OMB-approved plan for measuring improper payments on an annual basis and meets milestones established in the plan that include the following for each risk susceptible program:
  - yields a valid annual improper payment amount consistent with OMB guidance on error measurement either for -- (a) the program as a whole; or (b) one or more significant components of the program;
  - tracks sampled payments through each phase of the payment lifecycle (i.e., internal agency processing, payment to any intermediary, and payment to the ultimate recipient); and

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<sup>1</sup> Includes the following agencies: Agriculture, Defense, Education, HHS, Homeland Security, HUD, Labor, Transportation, Treasury, VA, EPA, NSF, OPM, SBA, and SSA. NSF has documented two years of minimal improper payments and has requested relief from annual reporting per the guidelines established in the soon to be released Appendix C.

- identifies the causes of error so that corrective action plans can be tailored appropriately
- Agency has an OMB-approved corrective action plan that includes aggressive, yet feasible, reduction targets; AND
- Agency complies with improper payments reporting requirements.

### **KEY MILESTONES – What the Initiative Owner Will Do**

#### FY 2007 – Fourth Quarter

- Working group within the Improper Payments Transformation Team (IPTT) to identify opportunities to identify, measure, and recover improper contract payments within and outside of recovery auditing created.
- Improper payment and recovery auditing reporting database implemented.
- Action plan to correct errors in “*Big 8*” programs in place.
- Government-wide focus to additional set(s) of programs (beyond the “Big 8”) expanded (focusing on next opportunities for large improper payment reductions).
- Legislation allowing data matching for the Pell Grant program enacted.
- Plan to enact the President’s Budget proposals for 2008 to identify, prevent, and recover improper payments underway.

#### FY 2008 – First Quarter

- Recommendations from the IPTT to identify opportunities to identify, measure, and recover improper contract payments within and outside of recovery auditing created and approved.
- Fourth annual government-wide improper payment report issued (concurrent with the President’s FY 2009 Budget).

#### FY 2008 – Second Quarter

- Prioritized initiatives for reducing improper payments outside of the “Big 8” programs developed and in place.
- Action plan to identify opportunities to identify, measure, and recover improper contract payments within and outside of recovery auditing developed and in place.
- Pilot analytics from database to identify possible enhanced reporting for Q1’08 developed.

#### FY 2008 – Third

- Results from Q2 program reviews to determine next steps analyzed.
- Circular A-136 reporting format for IPIA for FY 2009 finalized.

## **GOVERNMENT-WIDE RESULTS – We Would Be Proud to Achieve**

### Estimate the Annual Amount of Improper Payments in Risk Susceptible Programs

- Full or component annual error measurement for all high risk programs reported.
- Annual reduction targets for all programs established.

### Identify the Root Causes of Improper Payments and Correct the Errors

- Path to achieve \$10 billion reduction in payment errors identified (50% of FY 2011 goal of \$20 billion).
- Root causes of payment errors in “*Big 8*” programs identified and corrective actions on those activities with the greatest return on investment prioritized.
- Root causes of payment errors in *other larger programs* identified and corrective actions on those activities with the greatest return on investment prioritized.
- Aggressive legislative agenda with emphasis on (cross-cutting) reforms that will impact multiple programs and have the greatest return on investment developed.
- Corrective actions for all high risk programs align to root causes of payment error and support established error reduction targets.
- Error reduction targets met in all programs.
- Opportunities for reducing front-end errors that lead to improper payments identified.

## Faith-based and Community Initiative<sup>2</sup>

Owner: Director, Jay Hein (202) 456-6708

### GREEN Standards for Success

Agency:

- Has implemented a comprehensive outreach and technical assistance strategy for enhancing opportunities of faith-based and community organizations (FBCO) to compete for Federal funding, including working with State and local officials to expand access to Federal funding awarded through them. This strategy employs all 10 7 best practices;
- ~~Regularly monitors compliance with~~ Provides and facilitates education on the equal treatment regulations principles at the Federal, State and local levels, assists Federal programs within their purview in developing mechanisms for assessing compliance with appropriate regulations and in promptly addressing violations once they are detected brought to the agency's attention, and works to enable State- and locally-administered programs to implement equal treatment principles using proven models for partnering with FBCOs. has a process in place to ensure that compliance information is use to inform future funding ~~assists Federal programs within their purview in developing mechanisms for assessing compliance with appropriate regulations. Compliance related monitoring~~ Activities employ all 10 9 best practices;
- Collects accurate and timely data as requested by the White House Office of Faith-Based and Community Initiatives (WHOFBCI) on participation of FBCOs and other applicants, including government entities, in selected Federal non-formula and formula grant programs and has taken steps to include additional formula grant programs and make them a routine part of program administration. ~~Programs are working to make this information accessible to the public programs.~~ When requested by WHOFBCI, works with Federal formula program offices, in partnership with State and local administrators and State Faith-Based and Community Initiative Liaisons, to collect information on FBCO participation at the State and local level;

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<sup>2</sup> Includes the following agencies: Agriculture, Commerce, Education, HHS, DHS, HUD, Justice, Labor, Small Business Administration, USAID, and Veterans Affairs.

- Implements pilot programs to strengthen the partnership between FBCOs and the Federal government to deliver services and inform implementation of the Initiative, and expands the use of pilots to test new strategies when appropriate;
- Undertakes outcome-based evaluations of its pilot programs where FBCOs participate, provides quarterly progress reports and interim results to WHOFBCI throughout the life of the program, and builds an evaluation component into new pilots. Incorporates FBCO component into broader program evaluations when appropriate; AND
- ~~Identifies candidate grant programs for expansion of individual choice, and develops and has begun to implement plan for conversion.~~
- Is implementing an aggressive strategy to facilitate the expanded participation of grassroots faith-based and community organizations in services funded by both Federally-administered and Federal block/formula funds. Activities include initiation of all five best practices within the FY 2007 grant funding cycle.

### **YELLOW Standards for Success**

- Has developed a comprehensive outreach and technical assistance strategy for enhancing opportunities of faith-based and community organizations (FBCO) to compete for federal funding, including working with State and local officials to expand access to Federal funding awarded through them, and has begun to implement the plan. This strategy employs ~~6~~ 5 of ~~10~~ 7 best practices.
- Has taken steps to promote full implementation of the equal treatment regulation principles at the Federal, State and local level ~~ensure barrier free access for FBCO to the Federal competitive grants process.~~ These steps include ~~6~~ 7 of ~~10~~ 9 best practices
- Has established procedures to collect data requested by WHOFBCI on participation of FBCOs in selected non-formula Federal programs. When requested by the WHOFBCI, works with Federal formula grant program offices, in partnership with State and local administrators and State Faith-Based and Community Initiative Liaisons, to collect information on FBCO participation at the State and local level for at least one formula grant program;

- Has implemented pilot programs to strengthen partnerships between FBCOs and the Federal government to deliver services;
- Has undertaken outcome-based evaluations of its first set of pilot programs and has provided progress reports to WHOFBCI; AND
- Is implementing a strategy to facilitate the expanded participation of grassroots faith-based and community organizations in services funded by Federal non-formula and block/formula funds. Activities include initiation of 3 of 5 best practices within the FY 2007 grant funding cycle.

### **KEY MILESTONES – What Initiative Owner Will Do**

#### On-going

- Conduct regional and national conferences in coordination with the Federal agencies, providing a venue in which the Federal agencies can conduct outreach and education, and engage FBCOs.
- Conduct monthly “Policy Roundtables” and will develop other venues to highlight effective programs and practices advanced by the Federal agencies.
- Collect from State FBCI liaisons and other State officials information on effective strategies being employed in states to engage and utilize FBCOs. WHOFBCI will disseminate these promising practices to the Federal agencies to incorporate within their own programs and for reference in their sState outreach strategies.
- Facilitate exchange of best practices among the Federal agencies on effective means of meeting Proud to Be objectives, particularly grassroots strategies and formula/block grant technical assistance efforts.
- Coordinate with the Federal agencies in outreaching to the private sector and encouraging its support and involvement with grassroots efforts in local communities.
- Continue to provide guidance to the Federal agencies on implementation of the equal treatment regulations and support each agency in developing tools and materials for education on both the regulations and effective models for engaging FBCOs in government-funded services.
- Work with the Federal agencies to ensure the veracity and timely submission of their data collection efforts.

## **Best Practices Referenced in Standards**

### **Agency Outreach & Technical Assistance**

1. Reviews agency programs to identify those of particular interest to FBCOs.
2. Develops and implements a strategic outreach and technical assistance plan.
3. Creates a database of FBCO and maintains grant solicitation mailing lists.
4. Produces informational materials for FBCOs and other stakeholders, in consultation with the WHOFBCI.
5. Uses technology to conduct outreach and provide technical assistance, such as e-mail communications, web-based information resources, webinars, teleconferences, online training, or audio and video information resources.
6. Participates in conferences on the Faith-Based and Community Initiative (FBCI) and organizes technical assistance workshops, in consultation with the WHOFBCI.
7. Identifies barriers to competition and the participation of new FBCO partners (i.e., overly complicated application processes, point averages for incumbent grantees, etc.) and works to remove them.

### **Implementation of Equal Treatment Regulations at the State and Local Levels**

#### **Education Strategy**

1. Develops materials such as FAQs, PowerPoint presentations, online training tools, and easy-to-understand explanations of the equal treatment regulations, in consultation with the WHOFBCI, to educate program administrators, State and local officials, FBCOs and other interested parties about the regulations.
2. Posts materials on the Center website that explain equal treatment principles and other relevant legal issues.
3. Communicates to Federal grants and program offices, field offices, compliances officials, and other appropriate individuals about the equal treatment principles to help ensure that individuals with relevant decision-making and oversight responsibilities understand the regulations.
4. Arranges in-person, remote, train-the-trainer and/or online training for State and local program administrators, State Executive branch and mayoral office officials and other relevant individuals with authority in the administration of Federally-funded programs under the regulation.
5. Works to ensure that the equal treatment regulations are discussed at conferences of relevant interest groups, conferences of State and local officials

who administer federal funds, and all agency conferences.

### **Compliance**

6. Coordinates with Department Program Offices to ensure appropriate monitoring so as to ensure compliance with the equal treatment regulations and/or, for applicable agencies, Charitable Choice. Questions the agency should answer include:

Which office will be responsible for monitoring (e.g. the program office or the civil rights center)?

What means of monitoring will be used (e.g. site visits, spot checks by phone, surveys, etc.)?

Whether the equal treatment regulations need to be added to existing compliance checklists?

What complaint mechanisms are available to FBCOs that believe they have faced discrimination?

7. Works with appropriate offices within agency to address issues when monitoring uncovers a violation or related problem.

### **Promoting Application**

8. Identifies replicable models of effective partnerships between Federally-funded State and local programs and FBCOs, and packages information on these models in a format that is easily accessible to State and local administrators.
9. Finds appropriate means of delivering this information to relevant administrators and officials, and of encouraging their application of it.

### **Grassroots Strategies**

1. Identifies target Federally-administered programs and develops implementation plans for the introduction or expansion of innovative grant strategies (e.g. intermediaries, mini-grants, vouchers, per diem payments and

others) that facilitate expanded participation of grassroots faith-based and community organizations in services funded by these programs.

2. Develops plans for evaluation of these grassroots FBCO projects and their outcomes.
3. Implements technical assistance programs in key formula and block grant programs to encourage and facilitate the integration of grassroots faith-based and community-based organizations into Federally-funded State and local service delivery systems. To the extent possible, these should include contracts or grants to support technical assistance, incentive grants to State and/or local administering agencies or other equivalent efforts.
4. Develops plans for evaluation, to the extent possible, of these block and formula grant technical assistance programs and measures of their impact.
5. Prepares strategic plan for the advance of grassroots strategies in FY 2008. Plan includes a list of programs targeted for FY 2008 for continued, new and/or expanded efforts to increase incorporation of grassroots FBCOs in service delivery. List describes the mechanism(s) that will be used for increasing FBCO involvement in each program. For Federally-administered programs, these mechanisms will include the innovative strategies listed in number one above. For Federally-administered programs in which statute provides that only non-FBCOs may serve as primary grantees, this will include requirements of financial and/or non-financial partnerships between grantees and FBCOs. For formula and block grant programs, these will include the approaches noted in number three above.

## **Federal Real Property Asset Management<sup>3</sup>**

Owner: Linda Combs (202-395-6059)

### **GREEN Standards for Success**

Agency:

- Meets all Yellow Standards for Success;
- Established an OMB-approved three-year rolling timeline with date certain deadlines by which agency will address opportunities and determine its priorities as identified in the asset management plan;
- Demonstrated steps taken toward implementation of asset management plan as stated in yellow standards (including meeting established deadlines in three-year timeline, meeting prioritized management improvement actions, maintaining appropriate amount of holdings, and estimating and optimizing cost levels);
- Accurate and current asset inventory information and asset maximization performance measures are used routinely in management decision-making (such as reducing the amount of unneeded and underused properties); AND
- The management of agency property assets is consistent with the agency's overall strategic plan, the agency asset management plan, and the performance measures established by the Federal Real Property Council as stated in the Federal Real Property Asset Management Executive Order.

### **YELLOW Standards for Success**

Agency:

- Has a Senior Real Property Officer (SRPO) who actively serves on the Federal Real Property Council (FRPC);
- Established asset management performance measures, consistent with the published requirements of the Federal Real Property Council;

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<sup>3</sup> Includes the following agencies: Agriculture, Defense, Energy, HHS, Homeland Security, Interior, Justice, Labor, State, DOT, VA, Corps, GSA, NASA, and USAID.

- Completed and maintained a comprehensive inventory and profile of agency real property, consistent with the published requirements of the Federal Real Property Council;
- Provided timely and accurate information for inclusion into the government-wide real property inventory database; AND
- Developed an OMB-approved comprehensive asset management plan that:
  - Complies with guidance established by the Federal Real Property Council (FRPC)
  - Includes policies and methodologies for maintaining property holdings in an amount and type according to agency budget and mission
  - Seeks to optimize level of real property operating, maintenance, and security costs

### **KEY MILESTONES – What the Initiative Owner Will Do**

#### FY 2007 – Fourth Quarter

##### Performance Measures

- All agencies identify their FY 08 disposal target (number and value of constructed assets).
- Federal Government’s FY 08 disposal target finalized.

##### Federal Real Property Profile

- All agencies, working in cooperation with the FRPC and GSA OGP, have quality assurance/quality control processes to ensure reliable and accurate inventory and performance data for reporting to the government-wide database (Federal Real Property Profile).

#### FY 2008 – First Quarter

##### Performance Measures

- Agencies report on their efforts to meet their agency specific annual performance measures targets (as applicable).
- All agencies report quarterly progress toward meeting their own as well as the Federal Government’s FY 08 disposal target.
- Government-wide target for the FY 08 condition index of buildings identified.

##### Federal Real Property Profile

- Ensure successful annual reporting of inventory and performance data on all assets to the government-wide database (Federal Real Property Profile).

#### FY 2008 – Second Quarter

##### Performance Measures

- All agencies report quarterly progress toward meeting their own as well as the Federal Government's FY 08 disposal target.
- All assets that exited the Federal portfolio in FY 07 confirmed.

##### Improved Data Sharing

- All agencies have implemented the common Federal transfer screening format and performance measures.

#### FY 2008 – Third Quarter

##### Performance Measures

- All agencies report quarterly progress toward meeting their own as well as the Federal Government's FY 08 disposal target.

#### On-going

- Conduct quarterly FRPC meetings and ensure agency participation.
- Work with the FRPC to: (1) increase inter and intra agency communications on real property related issues; (2) share best asset management practices of the public and private sector, and; (3) encourage agencies to utilize available and reliable inventory and performance data to drive improved decision-making.
- Complete annual updates to both the agency Asset Management Plan and identify additional initiatives and associated milestones to be addressed through the Three Year Timeline.
- Work with each agency to evaluate agency actions toward meeting the real property inventory rightsizing goals.
- Ensure that agencies are meeting the identified milestones in the three year timelines.

### **GOVERNMENT-WIDE RESULTS - We Would Be Proud to Achieve**

- Dispose of \$9 billion in unneeded real property by the close of FY 09.
- Increase number of green agencies to 10 or more with remaining agencies at yellow.

- Enactment of President’s Budget proposal or similar legislation to establish a real property disposal pilot program or other asset management flexibilities.
- Agencies utilize the Performance Assessment Tool or approved equivalent to identify properties for the appropriate investment and disposition actions. The Performance Assessment tool categorizes all agency properties in the 5 categories outlined under the disposition algorithm (Level 1 – retain the asset through Level 5 – excess).
- All agencies meet the agency identified annual target for disposition of unneeded assets.

## **Improved Credit Program Management<sup>4</sup>**

Owner: Robert Shea (202-395-4568)

NOTE: STATUS AND PROGRESS SCORES WILL BE ~~RELEASED PUBLICLY~~  
PUBLISHED ON RESULTS.GOV FOR THE FIRST TIME IN ~~JUNE~~ JULY 2007

### **GREEN Standards for Success**

For all its major credit programs, agency:

Meets all Yellow Standards for Success;

Has PART scores of at least 80 on program design for at least 75 percent of its major credit programs, including providing evidence of sufficient public policy outcomes cost effectively;

Achieves goals related to reaching target borrowers and reducing deviation from risk standards;

Achieves goals to reduce the total cost of servicing and liquidating loans and improve the rate of debt recovery; AND

Earns customer satisfaction ratings that meet or exceed industry standards.

### **YELLOW Standards for Success**

For all its major credit programs, agency:

Defines its target borrower segments clearly, regularly assesses whether its borrowers meet that definition and whether such borrowers comprise an acceptable risk that can be managed effectively;

Establishes or verifies partner lenders have established sound lending policies and procedures that are implemented in effective transaction approval processes, loan portfolio management, and loss recovery;

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<sup>4</sup> Includes the following agencies: Agriculture, Education, HUD, Treasury, VA, and SBA.

- Establishes or verifies that partner lenders have established collateral valuation processes with clear policies and procedures ensuring independence in appraisals and valuations, and adequate monitoring of appraisers' quality and certification;
- Maintains a reasonable level of risk and productivity of taxpayer cash used in lending programs through effective management information reporting, such as indicators of loan volume, exceptions to underwriting standards, concentrations of credit risk, delinquency and default rates, rating changes, problem loans, and charge-offs and using such information to improve program results;
- Establishes mutually agreeable goals that can be justified by comparisons to relevant programs to control the total cost of originating, servicing and liquidating loans and improve the rate of debt recovery; AND
- Complies with all relevant provisions of the Debt Collection Improvement Act of 1996.

### **KEY MILESTONES – What the Initiative Owner Will Do**

#### FY 2007 – Fourth Quarter

- Meet with each agency to discuss the criteria as they apply to each program, set baselines for quantifiable components, and articulate specific steps needed to meet the yellow and green criteria.
- Work with each agency to identify current efforts that will help quantify program risk and improve the accuracy of subsidy estimates and reestimates.
- Work with Treasury to develop a standardized MOU to be executed with each agency, to improve compliance with Debt Collection Improvement Act requirements.
- Arrange a collateral valuation and/or lender review discussion forum, including a presentation of HUD's processes.

#### FY 2008 – First Quarter

- Work with major credit agency debt collection offices to execute MOU with Treasury.
- Arrange an administrative cost accounting system discussion forum, including a presentation of Education's system.
- Ongoing activities (see below).

#### FY 2008 – Second Quarter

- Arrange a risk management discussion forum, including presentations of SBA systems.

On-going

- Provide technical assistance to agencies in developing mechanisms to achieve yellow and green criteria.

**GOVERNMENT-WIDE RESULTS - We Would Be Proud to Achieve**

Improve the accuracy of agency subsidy cost estimation as measured by subsequent reestimates.

By 2008, we will increase the number of yellow agencies to 2, with remaining red agencies at a green progress score.

By 2009, increase number of yellow agencies to 3 or more, with remaining red agencies at a green progress score.

Increase collection of delinquent debt according to metrics agreed upon by OMB and applicable debt collection centers.

**Department of \_\_\_\_\_  
President's Management Agenda  
Goals for July 1, 2009**

**GOVERNMENT-WIDE INITIATIVES**

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# GOVERNMENT-WIDE INITIATIVES

## Strategic Management of Human Capital

Owner: *(Enter name, telephone number and email address of person at agency who leads this initiative)*

**Overall Status Score:** \_\_\_\_\_ *(Enter overall status score – green, yellow or red – that agency anticipates achieving by July 1, 2008.)*

*In the spaces provided, check off the individual standards that the agency anticipates achieving by July 1, 2008 and indicate the date (FY & quarter) you expect to achieve it. If a standard has already been achieved, you do not need to indicate the date. You may add a comment following the standard, if necessary.*

### GREEN Standards for Success

Agency:

- Implemented a comprehensive Human Capital Plan that is current and fully aligns with the agency's overall strategic plan and annual performance goals, and budgetary priorities; demonstrates that Human Capital planning efforts (including workforce, succession, accountability, survey action and other Human Capital-related plans) are strategically integrated; analyzed implementation results relative to the plans and used them in decision making to drive continuous improvement;
- Implemented an organizational structure that provides greater efficiencies in serving customers and stakeholders, reduces overall program costs and improves performance. The agency's workforce plan delineates how to effectively deploy, restructure, and/or delayer the workforce; and to use competitive sourcing, E-Gov solutions, as necessary; and the agency has process(es) in place to continuously review the organizational structure and update it to address future changes in business needs in a timely manner;
- Succession strategies, including structured leadership development programs, result in adequate leadership bench strength; agency meets its targets for closing

leadership competency gaps; and agency determined that bench strength and competency gap closure support organizational objectives;

- \_ Demonstrates that it has performance appraisal and awards systems for all SES and managers, and more than 70% of the workforce, that effectively: link to agency mission, goals, and outcomes; hold employees accountable for results appropriate for their level of responsibility; differentiate between various levels of performance (i.e., multiple performance levels with at least one summary rating above Fully Successful); and provide consequences based on performance-
  
- \_ Implemented a performance pilot, providing evidence that at the pilot site clear expectations are communicated to employees; rating and awards data demonstrate that managers effectively planned, monitored, developed and appraised employee performance; and the pilot site is ready to link pay to the to the performance appraisal systems. In addition, the agency significantly increased the number of employees covered under the pilot systems; and achieved a score of 80 or above on PAAT on the original and expanded performance pilots;
  
- \_ Implemented programs that are designed to recruit broadly, attract a diverse applicant pool and use the talents of the agency's workforce; has a process to sustain workforce diversity;
  
- \_ Met targets for closing competency gaps in mission critical occupations (i.e., human resources management, information technology, acquisition and agency-specific occupations), significantly reduced the number of vacant positions in MCOs, and used appropriate E-Gov solutions within the gap closure strategy; demonstrates how gap closure supports organizational objectives;
  
- \_ Implemented a comprehensive strategy from improving hiring process and ensuring highly qualified candidates are recruited and retained; at least 70% of agency hires are made and applicants notified of their status within 45 business days, achieved a significant reduction in the time to hire employees in MCOs; met aggressive SES hiring timelines, and met targets for hiring process improvements based on the Hiring Satisfaction Survey; integrated Career Patterns initiative into its recruitment and hiring strategy; optimized the use of hiring flexibilities including category rating.

- \_ Took corrective and improvement action, within prescribed timeframes, based on the results of the accountability activities.

## **YELLOW Standards for Success**

Agency:

- \_ Develops, documents and communicates throughout the agency a comprehensive Human Capital Plan that (*date*):
  - Is current and clearly aligns with the agency's current strategic plan, annual performance goals, and budgetary priorities;
  - Fully addresses the Human Capital Assessment and Accountability Framework (HCAAF);
  - Strategically integrates and drives all human capital planning efforts, including workforce, succession, diversity, Federal Human Capital Survey/Annual Employee Survey action, accountability planning and other HC-related activities;
  - Includes general HC goals and objectives including outcome-oriented goals and objectives;
  - Incorporates metrics that: 1) Measure outcomes, 2) Have clear, obtainable targets, and 3) include timelines for implementation; and
  - Designates accountable officials;
- \_ Analyzed existing organizational structures from a service delivery, cost, and general workforce planning perspective. Relevant workforce solutions including, redeployment and delayering are deployed as necessary (*date*);
- \_ Implemented succession management strategies, including structured leadership development programs, to assure continuity of leadership; sets targets for closing leadership competency gaps (including those addressing gaps in performance management competencies): implements gap closure strategies,

and meets key milestones outlined in succession management plan (*date*);

- Implemented merit-based appraisal plans and awards programs that link to agency mission, goals and outcomes; hold employees accountable for results appropriate for their level of responsibility; differentiate between various levels of performance; and provide consequences based on performance for all SES and managers. Implementing, at a performance pilot (formerly “beta site”), performance appraisal and awards systems that are fair, credible and transparent; assure managers are competent in their role as managers; hold managers accountable for managing employee performance, as reflected in their performance plans and ratings; and include employee involvement and feedback. The agency has expanded the performance pilot to cover a significant proportion of employees, and is working to include all agency employees under such systems (*date*);
- Implemented strategies to address workforce diversity, particularly in mission-critical occupations and leadership ranks (*date*);
- Conducted a workforce analysis to identify competency gaps in mission-critical occupations-(i.e., human resources management, information technology, acquisition, and agency-specific occupations); determine current and future human resource needs, sets targets to close gaps, including targeted employee development, recruitment and retention programs; and meets key milestones (*date*);
- Implements a strategy for improving its hiring process that focuses on recruiting and retaining top talent and reducing timelines for hiring applicants, and integrates the Career Patterns initiative; implements an auditable system(s) for collecting and analyzing data on stages of the hiring process consistent with the CHCO Council criteria; sets a hiring timeline target based on the time from closing of announcement until offer is made (e.g., average of 30 days for SES and 45 days for all non-SES) (*date*); **AND**
- Implements the Human Capital Accountability System approved by OPM; provides annual accountability report, which includes System, Standards, and Metrics (SSM) results, outlining the effectiveness of the agency’s human capital program and accountability system to the Agency Head, leadership, and OPM, and results are used to inform and update the Accountability Plan as needed;

and agency periodically conducts accountability reviews with OPM participation (*date*).

**KEY MILESTONES For the Department of \_\_\_\_\_**

FY 2007 – Fourth Quarter

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FY 2008 – First Quarter

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FY 2008 – Second Quarter

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FY 2008 – Third Quarter

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On-going

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**Overall Status Score:** \_\_\_\_\_ (*Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2009.***)

*Explanation: (Provide brief rationale for why these goals are reasonably aggressive. The explanation could summarize significant actions/achievements planned for July 1, 2008 – June 30, 2009.)*

**KEY RESULTS - We Would Be Proud to Achieve**

*List key results that the agency would plan to achieve by July 1, 2009. If goals are for a different time period, please specify time frame.*

-

## **Competitive Sourcing**

Owner: *(Enter name, telephone number and email address of person at agency who leads this initiative)*

**Overall Status Score:** \_\_\_\_\_ *(Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2008.**)*

*In the spaces provided, check off the individual standards that the agency anticipates achieving by July 1, 2008 and indicate the date (FY & quarter) you expect to achieve it. If a standard has already been achieved, you do not need to indicate the date. You may add a comment following the standard, if necessary.*

### **GREEN Standards for Success**

Agency:

- Has an OMB approved “green” competition plan to compete commercial activities available for competition *(date)*;
- Publicly announces standard competitions in accordance with the schedule outlined in the agency “green” competition plan *(date)*;
- Since January 2001, has completed at least 10 competitions (no minimum number of positions required per competition) or has completed a sufficient number of large competitions to demonstrate meaningful use of competitive sourcing *(date)*;
- In the past four fiscal quarters, completed 90% of all standard competitions in a 12-month timeframe or timeframe otherwise approved in accordance with the Circular *(date)*;
- In the past four fiscal quarters, completed 95% of all streamlined competitions in a 90-day timeframe or timeframe otherwise approved in accordance with the Circular *(date)*;

- \_ In the past year, canceled fewer than 10% of publicly announced standard and streamlined competitions (*date*);
- \_ Has OMB reviewed written justifications for all categories of commercial activities determined to be unsuitable for competition (*date*);
- \_ Tracks and reviews actual costs, savings, and quality of performance of the selected public- or private-sector service providers for all performance periods and ensures corrective action is taken when required (*date*);
- \_ Structures competitions in a manner to encourage participation by both private and public sectors as typically demonstrated by receipt of multiple offers and/or by documented market research, as appropriate (*date*);
- \_ Regularly reviews work performed once competitive sourcing studies are implemented to determine if performance standards in contract or agreement with agency provider are met and takes corrective action when provided services are deficient (*date*).
- \_ Submits quarterly reports to OMB’s competitive sourcing tracking system regarding status of pending competitions and results achieved (*date*); **AND**
- \_ Has positive anticipated net savings and/or significant performance improvements from competitions completed either in last fiscal year for which data has been officially reported to Congress by OMB or in the past three quarters (*date*).

### **Standards for Success to MAINTAIN GREEN**

- \_ Has expressly coordinated “green” competition plan annual updates with agency’s Chief Human Capital Officer (*date*); **AND**
- \_ Has an OMB-approved plan for independently validating results from a sampling of competitions and completes validations in accordance with the schedule outlined in the plan (*date*).

### **YELLOW Standard for Success**

Agency:

- \_ Has an OMB approved “yellow” competition plan to compete commercial activities available for competition (*date*);
- \_ Has completed one standard competition or has publicly announced standard competitions that exceed the number of positions identified for competition in the agency’s “yellow” competition plan (*date*);
- \_ In the past two quarters, has completed 75% of streamlined competitions in a 90-day timeframe or timeframe otherwise approved in accordance with the Circular (*date*);
- \_ In the past two quarters, has canceled fewer than 20% of publicly announced standard and streamlined competitions (*date*);
- \_ Tracks and reviews actual costs, savings, and quality of performance of the selected private- or public-sector service provider for all performance periods and ensures corrective action is taken when required (*date*);
- \_ Submits quarterly reports to OMB’s competitive sourcing tracking system regarding status of pending competitions and results achieved (*date*).
- \_ Has positive anticipated net savings and/or performance improvements from competitions completed either in the last fiscal year for which data has been officially reported to Congress by OMB or in the past two fiscal quarters; or has taken corrective actions to address identified weaknesses (*date*); **AND**
- \_ Has an OMB-approved plan for independently validating results from a sampling of competitions and completes validations in accordance with the schedule outlined in the plan (*date*).

**KEY MILESTONES for the Department of \_\_\_\_\_**

FY 2007 – Fourth Quarter

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FY 2008 – First Quarter

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FY 2008 – Second Quarter

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FY 2008 – Third Quarter

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On-going

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**Overall Status Score:** \_\_\_\_\_ (*Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2009.***)

*Explanation: (Provide brief rationale for why these goals are reasonably aggressive. The explanation could summarize significant actions/achievements planned for July 1, 2008 – June 30, 2009.)*

**KEY RESULTS - We Would Be Proud to Achieve**

*List key results that the agency would plan to achieve by July 1, 2009. If goals are for a different time period, please specify time frame.*

-

## Improved Financial Performance

Owner: *(Enter name, telephone number and email address of person at agency who leads this initiative)*

**Overall Status Score:** \_\_\_\_\_ *(Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2008.**)*

*In the spaces provided, check off the individual standards that the agency anticipates achieving by July 1, 2008 and indicate the date (FY & quarter) you expect to achieve it. If a standard has already been achieved, you do not need to indicate the date. You may add a comment following the standard, if necessary.*

### GREEN Standards for Success

Agency:

- Meets all Yellow Standards for Success;
- Currently produces accurate and timely financial information that is used by management to inform decision-making and drive results in key areas of operations *(date)*;
- Is implementing a plan to continuously expand the scope of its routine data use to inform management decision-making in additional areas of operations *(date)*;
- Reports in its audited financial statements that its systems are in compliance with the Federal Financial Management Improvement Act *(date)*;
- Has no repeat material auditor-reported internal control weaknesses *(date)*;  
AND
- Has no repeat material weaknesses or non-conformances reported under Section 2 Over Financial Reporting and Section 4 of the Federal Managers' Financial Integrity Act that impact the agency's internal control over financial reporting or financial systems *(date)*.

## YELLOW Standards for Success

Agency:

- \_ Receives an unqualified audit opinion on its annual financial statements (*date*);
- \_ Meets financial statement reporting deadlines (*date*);
- \_ Has no chronic or significant Anti- Deficiency Act Violations (*date*);
- \_ Has no more than one repeat material auditor-reported internal control weaknesses (*date*);
- \_ Has no material non-compliance with laws or regulations (*date*); **AND**
- \_ Has no more than one repeat material weaknesses or non-conformances reported under Section 2 Over Financial Reporting and no more than one non-conformance reported under Section 4 of the Federal Managers' Financial Integrity Act (*date*).

### **KEY MILESTONES for the Department of \_\_\_\_\_**

FY 2007 – Fourth Quarter

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FY 2008 – First Quarter

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FY 2008 – Second Quarter

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FY 2008 – Third Quarter

- 

On-going

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**Overall Status Score:** \_\_\_\_\_ (*Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2009.***)

*Explanation: (Provide brief rationale for why these goals are reasonably aggressive. The explanation could summarize significant actions/achievements planned for July 1, 2008 – June 30, 2009.)*

### **KEY RESULTS - We Would Be Proud to Achieve**

*List key results that the agency would plan to achieve by July 1, 2009. If goals are for a different time period, please specify time frame.*

-

## **Expanded E-Government**

Owner: *(Enter name, telephone number and email address of person at agency who leads this initiative)*

**Overall Status Score:** \_\_\_\_\_ *(Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2008.**)*

*In the spaces provided, check off the individual standards that the agency anticipates achieving by July 1, 2008 and indicate the date (FY & quarter) you expect to achieve it. If a standard has already been achieved, you do not need to indicate the date. You may add a comment following the standard, if necessary.*

### **GREEN Standards for Success**

Agency:

- Has an Enterprise Architecture with a score of 4 in the “Completion” section and 4 in both the “Use” and “Results” sections *(date)*;
- Has acceptable business cases for all major systems investments and no business cases on the “management watch list *(date)*;
- Has demonstrated appropriate planning, execution, and management of major IT investments, using EVM or operational analysis and has portfolio performance within 10% of cost, schedule, and performance goals *(date)*;
- Inspector General or Agency Head verifies the effectiveness of the Department-wide IT security remediation process and rates the agency certification and accreditation process as “Satisfactory” or better *(date)*;
- Has 90% of all IT systems properly secured (certified and accredited) *(date)*;  
**AND**
- Adheres to the agency-accepted and OMB-approved implementation plan for all of the appropriate E-Gov/Lines of Business/SmartBuy initiatives and has

transitioned and/or shut down investments duplicating these initiatives in accordance with the OMB-approved implementation plan (*date*).

### **Standard for Success to MAINTAIN GREEN**

Agency:

- \_ Has ALL IT systems certified and accredited (*date*);
- \_ Has IT systems installed and maintained in accordance with security configurations (*date*);
- \_ Has demonstrated for 90% of applicable systems a Privacy Impact Assessment has been conducted and is publicly posted (*date*);
- \_ Has demonstrated for 90% of systems with personally identifiable information a system of records has been developed and published (*date*); **AND**
- \_ Has an agreed-upon plan to meet necessary communication requirement for COOP and COG (*date*).

### **YELLOW Standards for Success**

Agency:

- \_ Has an Enterprise Architecture with a score of 4 in the “Completion” section and 4 in either the “Use” or “Results” sections (*date*);
- \_ Has acceptable business cases for more than 50% of its major IT investments (*date*);
- \_ Submits security reports to OMB that document consistent security improvement (*date*) and either:
  - \_\_80% of all IT systems are properly secured (*date*); **OR**

\_\_ Inspector General or Agency Head verifies the effectiveness of the Department-wide IT Security Plan of Action and Milestone Remediation Process (*date*);

\_ Has demonstrated appropriate planning, execution, and management of major IT investments, using EVM or operational analysis, and has IT portfolio performance operating within 30% of cost, schedule, and performance goals (*date*); **AND**

\_ Has an up-to-date agency-accepted and OMB- approved implementation plan for all of the appropriate E-Gov/Lines of Business/SmartBuy initiatives rather than creating redundant or agency unique IT projects (*date*).

**KEY MILESTONES for the Department of \_\_\_\_\_**

FY 2007 – Fourth Quarter

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FY 2008 – First Quarter

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FY 2008 – Second Quarter

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FY 2008 – Third Quarter

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On-going

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**Overall Status Score:** \_\_\_\_\_ (*Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2009.***)

*Explanation: (Provide brief rationale for why these goals are reasonably aggressive. The explanation could summarize significant actions/achievements planned for July 1, 2008 – June 30, 2009.)*

## **KEY RESULTS - We Would Be Proud to Achieve**

*List key results that the agency would plan to achieve by July 1, 2009. If goals are for a different time period, please specify time frame.*

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## Performance Improvement Initiative

Owner: *(Enter name, telephone number and email address of person at agency who leads this initiative)*

**Overall Status Score:** \_\_\_\_\_ *(Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2008.**)*

*In the spaces provided, check off the individual standards that the agency anticipates achieving by July 1, 2008 and indicate the date (FY & quarter) you expect to achieve it. If a standard has already been achieved, you do not need to indicate the date. You may add a comment following the standard, if necessary.*

### GREEN Standards for Success

Agency:

- Senior agency managers meet at least quarterly to examine reports that integrate financial and performance information that covers all major responsibilities of the Department. Agency works to improve program performance and efficiency each year *(date)*;
- Strategic plans contain a limited number of outcome-oriented goals and objectives. Annual budget and performance documents incorporate measures identified in the PART and focus on the information used in the senior management report described in the first criterion *(date)*;
- Reports the full cost of achieving performance goals accurately in budget and performance documents and can accurately estimate the marginal cost of changing performance goals *(date)* ;
- Has at least one efficiency measure for all PARTed programs *(date)*;
- Uses PART evaluations to direct program improvements and hold managers accountable for those improvements, and PART findings and performance information are used consistently to justify funding requests, management actions, and legislative proposals *(date)*; **AND**

- \_ Less than 10% of agency programs receive a Results Not Demonstrated rating for two years in a row (*date*).

### **Standard for Success to MAINTAIN GREEN**

Agency:

- \_ Improves program performance and efficiency each year (*date*); **AND**
- \_ Uses marginal cost analysis to inform resource allocations, as appropriate (*date*).

### **YELLOW Standards for Success**

Agency:

- \_ Senior agency managers meet at least quarterly to examine reports that integrate financial and performance information that covers some of the major responsibilities of the Department. Agency can demonstrate information is used to improve performance of agency programs (*date*);
- \_ Strategic plans contain a limited number of outcome-oriented goals and objectives. Annual budget and performance documents incorporate measures identified in the PART process (*date*);
- \_ The full cost of achieving performance goals is accurately reported in budget and performance documents (*date*);
- \_ At least 50% of agency programs rated by the PART have at least one efficiency measure (*date*);
- \_ PART findings and performance information are used to justify funding requests, management actions, and legislative proposals, and agency assigns specific individuals responsibility for implementing program improvement plans (*date*); **AND**

\_ No more than 50% of agency programs receive a Results Not Demonstrated rating for two years in a row (*date*).

**KEY MILESTONES for the Department of \_\_\_\_\_**

FY 2007 – Fourth Quarter

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FY 2008 – First Quarter

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FY 2008 – Second Quarter

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FY 2008 – Third Quarter

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On-going

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**Overall Status Score:** \_\_\_\_\_ (*Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2009.***)

*Explanation: (Provide brief rationale for why these goals are reasonably aggressive. The explanation could summarize significant actions/achievements planned for July 1, 2008 – June 30, 2009.)*

**KEY RESULTS - We Would Be Proud to Achieve**

*List key results that the agency would plan to achieve by July 1, 2009. If goals are for a different time period, please specify time frame.*

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## SELECTED PROGRAM INITIATIVES

### **Eliminating Improper Payments<sup>1</sup>**

Owner: *(Enter name, telephone number and email address of person at agency who leads this initiative)*

**Overall Status Score:** \_\_\_\_\_ *(Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2008.**)*

*In the spaces provided, check off the individual standards that the agency anticipates achieving by July 1, 2008 and indicate the date (FY & quarter) you expect to achieve it. If a standard has already been achieved, you do not need to indicate the date. You may add a comment following the standard, if necessary.*

***Delete this section if your agency does not participate in this initiative.***

### **GREEN Standards for Success**

Agency:

- Has met all Yellow Standards for Success;
- Demonstrates that improper payments are being reduced consistent with reduction targets; AND
- Has established improper payments recovery targets, where appropriate, and is actively meeting such targets.

### **YELLOW Standards for Success**

Agency:

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<sup>1</sup> Includes the following agencies: Agriculture, Defense, Education, HHS, Homeland Security, HUD, Labor, Transportation, Treasury, VA, EPA, NSF, OPM, SBA, and SSA. NSF has documented two years of minimal improper payments and has requested relief from annual reporting per the guidelines established in the soon to be released Appendix C.

- \_ Has a risk assessment in place that identifies all programs that are at significant risk of improper payments;
- \_ Has an OMB-approved plan for measuring improper payments on an annual basis and meets milestones established in the plan that include the following for each risk susceptible program:
  - yields a valid annual improper payment amount consistent with OMB guidance on error measurement either for -- (a) the program as a whole; or (b) one or more significant components of the program;
  - tracks sampled payments through each phase of the payment lifecycle (i.e., internal agency processing, payment to any intermediary, and payment to the ultimate recipient); and
  - identifies the causes of error so that corrective action plans can be tailored appropriately
- \_ Agency has an OMB-approved corrective action plan that includes aggressive, yet feasible, reduction targets; AND
- \_ Agency complies with improper payments reporting requirements.

**KEY MILESTONES for the Department of \_\_\_\_\_**

FY 2007 – Fourth Quarter

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FY 2008 – First Quarter

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FY 2008 – Second Quarter

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FY 2008 – Third Quarter

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On-going

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**Overall Status Score:** \_\_\_\_\_ (*Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2009.***)

*Explanation: (Provide brief rationale for why these goals are reasonably aggressive. The explanation could summarize significant actions/achievements planned for July 1, 2008 – June 30, 2009.)*

### **KEY RESULTS - We Would Be Proud to Achieve**

*List key results that the agency would plan to achieve by July 1, 2009. If goals are for a different time period, please specify time frame.*

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## **Faith-based and Community Initiative<sup>2</sup>**

**Owner:** *(Enter name, telephone number and email address of person at agency who leads this initiative)*

**Overall Status Score:** \_\_\_\_\_ *(Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2008.**)*

*In the spaces provided, check off the individual standards that the agency anticipates achieving by July 1, 2008 and indicate the date (FY & quarter) you expect to achieve it. If a standard has already been achieved, you do not need to indicate the date. You may add a comment following the standard, if necessary.*

***Delete this section if your agency does not participate in this initiative.***

### **GREEN Standards for Success**

Agency:

- Has implemented a comprehensive outreach and technical assistance strategy for enhancing opportunities of faith-based and community organizations (FBCO) to compete for Federal funding, including working with State and local officials to expand access to Federal funding awarded through them. This strategy employs all 7 best practices *(date)*;
- Provides and facilitates education on the equal treatment principles at the Federal, State and local levels, assists Federal programs within their purview in developing mechanisms for assessing compliance with appropriate regulations and in addressing violations once they are brought to the agency's attention, and works to enable State- and locally-administered programs to implement equal treatment principles using proven models for partnering with FBCOs. Activities employ all 9 best practices; *(date)*;
- Collects accurate and timely data as requested by the White House Office of Faith-Based and Community Initiatives (WHOFBCI) on participation of FBCOs and other applicants, including government entities, in selected Federal non-formula programs. When requested by WHOFBCI, works with Federal

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<sup>2</sup> Includes the following agencies: Agriculture, Commerce, Education, HHS, DHS, HUD, Justice, Labor, Small Business Administration, USAID, and Veterans Affairs.

formula program offices, in partnership with State and local administrators and State Faith-Based and Community Initiative Liaisons, to collect information on FBCO participation at the State and local level (*date*);

- Implements pilot programs to strengthen the partnership between FBCOs and the Federal government to deliver services and inform implementation of the Initiative, and expands the use of pilots to test new strategies when appropriate (*date*);
- Undertakes outcome-based evaluations of its pilot programs where FBCOs participate, provides quarterly progress reports and interim results to WHOFBCI throughout the life of the program, and builds an evaluation component into new pilots. Incorporates FBCO component into broader program evaluations when appropriate (*date*); **AND**
- Is implementing an aggressive strategy to facilitate the expanded participation of grassroots faith-based and community organizations in services funded by both Federally-administered and Federal block/formula funds. Activities include initiation of all five best practices within the FY 2007 grant funding cycle (*date*).

### **YELLOW Standards for Success**

- Has developed a comprehensive outreach and technical assistance strategy for enhancing opportunities of faith-based and community organizations (FBCO) to compete for federal funding, including working with State and local officials to expand access to Federal funding awarded through them, and has begun to implement the plan. This strategy employs 5 of 7 best practices (*date*).
- Has taken steps to promote full implementation of the equal treatment regulation principles at the Federal, State and local level. These steps include 7 of 9 best practices (*date*).
- Has established procedures to collect data requested by WHOFBCI on participation of FBCOs in selected non-formula Federal programs. When requested by the WHOFBCI, works with Federal formula grant program offices, in partnership with State and local administrators and State Faith-Based and Community Initiative Liaisons, to collect information on FBCO participation at the State and local level for at least one formula grant program

*(date)*;

- \_ Has implemented pilot programs to strengthen partnerships between FBCOs and the Federal government to deliver services *(date)*;
- \_ Has undertaken outcome-based evaluations of its first set of pilot programs and has provided progress reports to WHOFBCI *(date)*; **AND**
- \_ Is implementing a strategy to facilitate the expanded participation of grassroots faith-based and community organizations in services funded by Federal non-formula and block/formula funds. Activities include initiation of 3 of 5 best practices within the FY 2007 grant funding cycle *(date)*.

**KEY MILESTONES for the Department of \_\_\_\_\_**

FY 2007 – Fourth Quarter

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FY 2008 – First Quarter

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FY 2008 – Second Quarter

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FY 2008 – Third Quarter

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On-going

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**Overall Status Score:** \_\_\_\_\_ *(Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2009.**)*

*Explanation: (Provide brief rationale for why these goals are reasonably aggressive. The explanation could summarize significant actions/achievements planned for July 1, 2008 – June 30, 2009.)*

## **KEY RESULTS - We Would Be Proud to Achieve**

*List key results that the agency would plan to achieve by July 1, 2009. If goals are for a different time period, please specify time frame.*

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## **Federal Real Property Asset Management<sup>3</sup>**

Owner: *(Enter name, telephone number and email address of person at agency who leads this initiative)*

**Overall Status Score:** \_\_\_\_\_ *(Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2008.**)*

*In the spaces provided, check off the individual standards that the agency anticipates achieving by July 1, 2008 and indicate the date (FY & quarter) you expect to achieve it. If a standard has already been achieved, you do not need to indicate the date. You may add a comment following the standard, if necessary.*

***Delete this section if your agency does not participate in this initiative.***

### **GREEN Standards for Success**

Agency:

- Meets all Yellow Standards for Success *(date)*;
- Established an OMB-approved three-year rolling timeline with date certain deadlines by which agency will address opportunities and determine its priorities as identified in the asset management plan *(date)*;
- Demonstrated steps taken toward implementation of asset management plan as stated in yellow standards (including meeting established deadlines in three-year timeline, meeting prioritized management improvement actions, maintaining appropriate amount of holdings, and estimating and optimizing cost levels) *(date)*;
- Accurate and current asset inventory information and asset maximization performance measures are used routinely in management decision-making (such as reducing the amount of unneeded and underused properties) *(date)*;  
AND

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<sup>3</sup> Includes the following agencies: Agriculture, Defense, Energy, HHS, Homeland Security, Interior, Justice, Labor, State, DOT, VA, Corps, GSA, NASA, and USAID.

- The management of agency property assets is consistent with the agency’s overall strategic plan, the agency asset management plan, and the performance measures established by the Federal Real Property Council as stated in the Federal Real Property Asset Management Executive Order (*date*).

### **YELLOW Standards for Success**

Agency:

- Has a Senior Real Property Officer (SRPO) who actively serves on the Federal Real Property Council (FRPC) (*date*);
- Established asset management performance measures, consistent with the published requirements of the Federal Real Property Council (*date*);
- Completed and maintained a comprehensive inventory and profile of agency real property, consistent with the published requirements of the Federal Real Property Council (*date*);
- Provided timely and accurate information for inclusion into the government-wide real property inventory database (*date*); AND
- Developed an OMB-approved comprehensive asset management plan that:
  - Complies with guidance established by the Federal Real Property Council (FRPC) (*date*)
  - Includes policies and methodologies for maintaining property holdings in an amount and type according to agency budget and mission (*date*)
  - Seeks to optimize level of real property operating, maintenance, and security costs (*date*)

### **KEY MILESTONES FOR THE DEPARTMENT OF \_\_\_\_\_**

FY 2007 – Fourth Quarter

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FY 2008 – First Quarter

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FY 2008 – Second Quarter

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FY 2008 – Third Quarter

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On-going

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**Overall Status Score:** \_\_\_\_\_ (*Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2009.***)

*Explanation: (Provide brief rationale for why these goals are reasonably aggressive. The explanation could summarize significant actions/achievements planned for July 1, 2008 – June 30, 2009.)*

**KEY RESULTS - We Would Be Proud to Achieve**

*List key results that the agency would plan to achieve by July 1, 2009. If goals are for a different time period, please specify time frame.*

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## Improved Credit Program Management<sup>4</sup>

**Note: Status and progress scores will be published on Results.gov for the first time in July 2007**

Owner: *(Enter name, telephone number and email address of person at agency who leads this initiative)*

**Overall Status Score:** \_\_\_\_\_ *(Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2008.**)*

*In the spaces provided, check off the individual standards that the agency anticipates achieving by July 1, 2008 and indicate the date (FY & quarter) you expect to achieve it. If a standard has already been achieved, you do not need to indicate the date. You may add a comment following the standard, if necessary.*

***Delete this section if your agency does not participate in this initiative.***

### **GREEN Standards for Success**

For all its major credit programs, agency:

- Meets all Yellow Standards for Success *(date)*;
- Has PART scores of at least 80 on program design for at least 75 percent of its major credit programs, including providing evidence of sufficient public policy outcomes cost effectively *(date)*;
- Achieves goals related to reaching target borrowers and reducing deviation from risk standards *(date)*;
- Achieves goals to reduce the total cost of servicing and liquidating loans and improve the rate of debt recovery *(date)*; AND

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<sup>4</sup> Includes the following agencies: Agriculture, Education, HUD, Treasury, VA, and SBA.

- \_ Earns customer satisfaction ratings that meet or exceed industry standards (*date*).

### **YELLOW Standards for Success**

For all its major credit programs, agency:

- \_ Defines its target borrower segments clearly, regularly assesses whether its borrowers meet that definition and whether such borrowers comprise an acceptable risk that can be managed effectively (*date*);
- \_ Establishes or verifies partner lenders have established sound lending policies and procedures that are implemented in effective transaction approval processes, loan portfolio management, and loss recovery (*date*);
- \_ Establishes or verifies that partner lenders have established collateral valuation processes with clear policies and procedures ensuring independence in appraisals and valuations, and adequate monitoring of appraisers' quality and certification (*date*);
- \_ Maintains a reasonable level of risk and productivity of taxpayer cash used in lending programs through effective management information reporting, such as indicators of loan volume, exceptions to underwriting standards, concentrations of credit risk, delinquency and default rates, rating changes, problem loans, and charge-offs and using such information to improve program results (*date*);
- \_ Establishes mutually agreeable goals that can be justified by comparisons to relevant programs to control the total cost of originating, servicing and liquidating loans and improve the rate of debt recovery (*date*); AND
- \_ Complies with all relevant provisions of the Debt Collection Improvement Act of 1996 (*date*).

### **KEY MILESTONES for the Department of \_\_\_\_\_**

FY 2007 – Fourth Quarter

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FY 2008 – First Quarter

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FY 2008 – Second Quarter

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FY 2008 – Third Quarter

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On-going

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**Overall Status Score:** \_\_\_\_\_ (*Enter overall status score – green, yellow or red – that agency anticipates achieving by **July 1, 2009.***)

*Explanation: (Provide brief rationale for why these goals are reasonably aggressive. The explanation could summarize significant actions/achievements planned for July 1, 2008 – June 30, 2009.)*

### **KEY RESULTS - We Would Be Proud to Achieve**

*List key results that the agency would plan to achieve by July 1, 2009. If goals are for a different time period, please specify time frame.*

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