DEPARTMENT OF STATE
AND
INTERNATIONAL ASSISTANCE PROGRAMS

PART ASSESSMENTS[1]

[1] For each program that has been assessed using the PART, this document contains details of the most recent assessment. These details are presented in their original form; some programs have revised performance targets and developed or replaced performance measures since the original assessment. The PART summaries published with the 2006 Budget (in February 2005) provide current information on follow-up to recommendations and other updates.

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International Assistance Programs

PART Performance Measurements

Program: Andean Counterdrug Initiative (ACI)
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	43%	34%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of the Andean Counterdrug Initiative (ACI) is to cause the net reduction in illicit drug crop cultivation and trafficking through a combination of intense and consistent eradication, interdiction, organizational attack, and alternative development in key source and transit countries, including Colombia, Peru, Bolivia, Ecuador, Venezuela, and Panama and Brazil. ACI programs can accomplish this by improving the capacity of the partner nation to: eradicate illicit crops and provide the security for an increased respect for the rule of law and the substitution of licit crops for illicit crops; detect and interdict the movement of illicit drugs, precursor chemicals and money; and disrupt the operations of drug trafficking organizations and illegal armed groups by using, among things, arrests, extraditions and asset forfeiture.

Evidence: FY 2006 Bureau Performance Plan (BPP) for the International Narcotics and Law Enforcement Affairs Bureau (INL). FY 2002 State Department Congressional Budget Justification for Foreign Operations accounts.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: ACI programs address two problems of national security interest to the United States. First, programs are aimed at attacking the source of 90% of the cocaine and 40% of the heroine entering the United States, as well as the social and economic conditions that have pushed the poor to cultivate illicit crops and allowed narcoterrorists and drug traffickers to prosper in the Andean region. Second, by strengthening law enforcement and military institutions in host countries, these programs promote stability and rule of law in the Western Hemisphere.

Evidence: INL's FY 2006 BPP defines the problem in the Goal Paper for ACI. The Department of State's Strategic Plan for FY 2004-2009 defines the problem of international drug trafficking in the Andean region.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: The ACI account has primary responsibility for providing assistance to the governments of Andean countries to build their capacity in the areas of drug eradication, interdiction, alternative development and law enforcment/justice institution-building. This account funds activities by multiple USG agencies, including the State Department, USAID, DEA, DOJ, and DHS. The State Department has the lead in coordinating these various activities at the individual country level (through the US Embassy interagency process) in order to avoid duplication of effort.

Evidence: Foreign Assistance Act, Part 1, Chapter 8 gives the Department of State the mandate to provide foreign assistance to combat illegal drugs. The Mission Performance Plans (MPPs) for each U.S. Embassy in the Andean countries define roles and responsibilities for all USG agencies participating in counternarcotics activities. International efforts efforts are coordinated with the Dublin Group and the Organzization of American States (OAS).

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: There is no strong evidence that another approach or mechanism would be more efficient or effective to achieve the intended purpose. The creation in FY 2002 of the separate and distinct ACI appropriation account was meant to strengthen the design and implementation of these diverse programs by linking the "carrot and stick" programs (i.e., alternative development/institution building/economic development and eradication/interdiction) into one account to ensure a holistic approach to the USG's counternarcotics efforts in the Andean region.

Evidence: FY 2002 Congressional Budget Justification for Foreign Operations accounts; 2003 GAO Inspection of Colombia and DOS response.

Program: Andean Counterdrug Initiative (ACI)
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Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	43%	34%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES Question Weight: 20%

Explanation: At the macro level, ACI is targeted at countries that are major source and/or transit zones for drugs coming to the United States. At the country level, the State Department's Bureau for International Narcotics and Law Enforcement Affairs (INL), USAID, the Department of Justice and other USG agencies provide assistance directly to those host country institutions and communities (e.g., national police, military, prosecutors, coca farmers) in the best position to impact the cultivation, processing and trafficking of illicit drugs.

Evidence: Draft ACI Strategic Plan; Source Zone strategies specify the efficiency and effectiveness of targeting the source of coca cultivation. USAID Peru Performance Monitoring Plan illustrates how alternative development is used to target coca growers.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: YES Question Weight: 13%

Explanation: This question received a "YES," because INL has long-term measures that meaningfully reflect its two primary program goals: reduced production of cocaine and increased drug interdiction. It should be noted, however, that although USAID has a long-term output measure for its alternative development programs in the Andean region, the agency has not yet developed long-term outcome measures for these programs that demonstrate desired end states.

Evidence: INL's FY 2006 Bureau Performance Plan; FY 2006 Mission Performance Plans for Colombia, Peru, Bolivia, and Ecuador.

2.2 Does the program have ambitious targets and timeframes for its long-term measures?

Answer: YES Question Weight: 13%

Explanation: The program has ambitious targets and timeframes for its two long-term outcome goals: (1) an 80% reduction in processed cocaine by 2010 and (2) by 2008, Andean governments will seize 35% of cocaine produced in the region each year. As noted above, there are no long-term outcome measures, targets or timeframes for the alternative development component of the ACI program.

Evidence: INL's FY 2006 Bureau Performance Plan

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?

Answer: YES Question Weight: 13%

Explanation: The program has an annual measure ("reduce the cultivation of coca") that supports the long-term goal of reducing the production of cocain. The program also has an annual efficiency measure related to reducing the flying hour cost of aerial eradication of coca in Colombia. In addition, USAID has developed an annual output measure for its alternative development programs. It measures the number of hectares devoted to licit agricultural and/or forest products developed or expanded in areas receiving USAID assistance.

Evidence: INL's FY 2006 Bureau Performance Plan; FY 2006 Mission Performance Plans for Colombia, Peru, Bolivia, and Ecuador.

Program: Andean Counterdrug Initiative (ACI)
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	43%	34%	

2.4 Does the program have baselines and ambitious targets for its annual measures?
Answer: YES Question Weight:13%

Explanation: The program has baselines and ambitious targets for the annual measures related to the cultivation of coca and the flying hour cost of aerial eradication of coca. USAID is developing baseline data and targets for the measure related to hectares of licit agricultural and forest products.

Evidence: INL's FY 2006 Bureau Performance Plan

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?
Answer: NO Question Weight:13%

Explanation: There is no strong evidence that existing contractors or partners commit to INL's long-term or annual goals. However, it should be noted that INL is in the process of competing a new contract for its eradication and interdiction programs, and unlike previous contracts, this contract will be a performance-based contract. In addition, there is concern about the apparent lack of consultation and coordination between INL and USAID at the Washington headquarters' level regarding USAID's alternative development program goals, which are meant to complement INL's eradication goals. Finally, INL, USAID, and the Office of National Drug Control Policy (ONDCP), which is responsible for overseeing the President's National Drug Control Strategy, do not coordinate closely when setting long-term and annual goals. Agencies have committed to closer coordination in the future.

Evidence: Interagency agreements between INL and other USG agencies; Award Fee memo for Dyncorp contract

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?
Answer: NO Question Weight:13%

Explanation: The State Department's International Narcotics and Law Enforcement Affairs Bureau (INL), which administers the eradication and interdiction components of the ACI program, does not conduct regularly scheduled objective, high quality, independent evaluations of its ACI programs. USAID, which administers the alternative development programs under ACI, has contracted with private firms to conduct independent evaluations of elements of its ACI programs in Bolivia and Colombia, but it does not regularly schedule independent evaluations and has not contracted for evaluations of its programs in Peru or Ecuador, two of the four Andean countries in which it administers ACI programs.

Evidence: No evidence was provided of a program evaluation plan or schedule of program evaluations.

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?
Answer: NO Question Weight:13%

Explanation: INL's annual budget requests are broken down by country and, within each country, by major program activity area. At the country level, INL relates budget requests to narrative descriptions of conditions in those countries. INL does not clarify, however, what the impact of funding decisions would be on expected performance, either at the country or program-wide level. The annual budget for INL is developed mostly with input from U.S. missions overseas. Mission budget requests follow INL's budget request guidance and are based on each embassy's MPP.

Evidence: INL's annual Congressional Budget Justification

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Section Scores				Rating
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100%	63%	43%	34%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: In the past year, INL has taken several meaningful steps to improve strategic planning. The Bureau is developing a new strategic logic model to guide all strategic planning documents, including Mission Performance Plans, Bureau Performance Plans, Letters of Agreement with partner foreign countries, and annual budget request documents. In addition, the new contract that INL is currently competing for its aviation program will be a performance-based contract. Finally, INL and USAID have committed to conducting closer consultation and coordination in the planning of their complementary program goals.

Evidence: INL's Strategic Logic Model; Revised formats for bilateral Letters of Agreement and Interagency Agreements demonstrate efforts to improve planning coordination with partners.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: NO Question Weight: 14%

Explanation: INL, through the Narcotics Affairs Section (NAS) of the US Embassies in the various Andean countries, regularly collects statistics and performance data from host country partners regarding progress made on eradication, interdiction and arrests of narco-traffickers. INL uses the information to manage the program and allocate resources. An example is the decision by the NAS in Peru, based on performance data, to redirect financial support from an underperforming Amazon riverine project to a more effective port security project. Likewise, USAID requires its funding recipients to monitor and report performance information quarterly and uses this information to manage its programs. An example is USAID's decision last year to modify significantly its approach to alternative development in Peru. This question received a "NO," because USAID, as a key program partner and implementing agency, does not regularly report its performance information to INL, which has overall responsibility for the ACI account. This lack of reporting impacts program planning and coordination, which is necessary because the INL and USAID programs are meant to complement one another in a "carrot and stick" approach to combatting drug trafficking in the region.

Evidence: International Narcotics Control Strategy Report (INCSR)--an annual report compiled by INL on counternarcotics activities worldwide, including in the Andean Region. Quarterly NAS reports to Washington; "Aircraft Inventory, Status and Flying Time" (a report on aviation activities that is used to manage air operations); USAID's Operating Unit Annual Reports and Operating Unit Performance Management Plans; USAID's ADS 202.3.6, which includes the following topics: Assessing Performance of Contractors and Recipients; Using Customer Feedback; Making Necessary Adjustments."

Program: Andean Counterdrug Initiative (ACI)
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	43%	34%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: NO Question Weight: 14%

Explanation: Both INL and USAID include in contracts, grants and cooperative agreements clauses related to periodic progress/performance and financial reporting which are used to monitor activities and hold partners accountable. INL and USAID also include performance goals in bilateral Letters of Agreement and Strategic Objective Agreements with host governments. Although USAID provided evidence of an evaluation mechanism for its program managers, this question received a "NO," because INL did not provide evidence that standards for the performance of its ACI program managers had been established.

Evidence: Bilateral Letters of Agreement with partner countries include some accountability language. The End Use Monitoring Report is an annual report showing accountability for proper use of equipment provided by INL to host countries. USAID designates a cognizant technical officer (CTO) for each Latin America Bureau activity to manage contractors and grantees, and CTOs are evaluated for effective management of these agreements.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 14%

Explanation: This question received a "YES" because the program obligates funds consistent with the overall program plan, is not in violation of the Anti-Deficiency Act, and does not have significant erroneous payments. However, it should be noted that the program's unobligated funds at the end of the year averaged over $100 million for the past two fiscal years. These unobligated balances were due in part to Congressional certification requirements and holds that delayed INL's receipt of the actual funding. For example, in FY 2003 INL did not receive Congressional clearance to obligate ACI funds until May 30.

Evidence: INL's Financial Management Activity Reports (FMARs) are accounting tools to monitor quarterly expenditure of funds. Advice of Allotments demonstrate the procedures to allot funds to US embassies for ACI projects ; USAID's Phoenix Flash Reports and ADS 602 (Forward Funding Policy for Program Funds).

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: NO Question Weight: 14%

Explanation: INL has procedures for employees to follow regarding, for example, use of Purchase Authorizations and End-Use Monitoring, but, while these focus on compliance with rules and laws, they do not standardize procedures that measure and achieve efficiencies and cost effectiveness. INL is investing in IT solutions that will directly link procurement invoicing to a new local accounting system which will lead to fewer accounting and invoice errors.

Evidence: INL Procurement Policies and Procedures Handbook; INL Financial Management and Property Tools

Program: Andean Counterdrug Initiative (ACI)
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	43%	34%	

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 14%

Explanation: At the individual country level, the US Ambassador and the interagency team at the embassy in the host country, with guidance from Washington, decide the annual strategy for each country consistent with the President's National Drug Control Strategy. This interagency coordination is reflected in the annual Mission Performance Plan, a joint planning document that assigns responsibilities for each relevant agency. INL's Narcotics Affairs Section at each embassy and USAID's in-country team base their annual program plans and budget requests on these embassy-wide planning documents.

Evidence: Annual Mission Performance Plans; Peru NAS Director's agendas for weekly interagency counternarcotics meetings; Office of Latin Programs list of coordination meetings.

3.6 Does the program use strong financial management practices? Answer: NO Question Weight: 14%

Explanation: INL currently has weak financial management systems that raise concerns about the bureau's ability to track, reconcile, and accurately report on unobligated balances. An internal review found that INL's current financial management system is inadequate to support its programs. Specifically, INL is unable to produce accurate and timely information (e.g., unit or overall costs, pipeline, burn rate) that would support day-to-day resource allocations or trade-off decisions. It should be noted, however, that INL plans to implement a new financial management system in August 2004 that is designed to rectify these problems.

Evidence: INL's Financial Management Handbook provides the bureau's guidelines for managing funds. USAID's ADS 620 chapter provides the overarching accounting and financial reporting principles and standards for the Agency. USAID's Federal Manager's Financial Integrity Act (FMFIA) checklist.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 14%

Explanation: INL has undertaken a number of initiatives to address management deficiencies. They include developing new country and regional strategic plans and a new Strategic Model, a top-to-bottom review of ACI and the aviation programs, updated Letter of Agreement and Interagency Agreement procedures, an updated Financial Management Activity Report model, and other initiatives. INL has created a new Program Assistance and Evaluation Division to look into management and program evaluation and has given that division a broad mandate to address management needs. The bureau's Financial Management Handbook has been updated and reissued, and the Procurement Handbook is being reviewed.

Evidence: Strategic Logic Model; revised Financial Management Handbook; Program Assistance and Evaluation Execution Plan; Revised LOA instructions.

Program:	Andean Counterdrug Initiative (ACI)
Agency:	Department of State
Bureau:	Bureau of International Narcotics & Law Enforcement Affairs
Type(s):	Direct Federal

Section Scores				**Rating**
1	2	3	4	Adequate
100%	63%	43%	34%	

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?**

Answer: LARGE EXTENT Question Weight27%

Explanation: Data for 2003, the most recent data available, reveals that INL is on track to meet or exceed its long-term goals for reducing the production of pure cocaine and interdicting drug shipments from the Andean Region. Working towards the long-term goal of reducing the production of pure cocaine from the baseline level of 995 metric tons in 2001 to 210 metric tons by 2010, INL's target for 2003 was 759 metric tons. INL exceeded this target by 94 metric tons. The actual amount of pure cocaine produced in 2003 was 665 metric tons. Likewise, INL's long-term goal for interdiction by Andean law enforcement organizations is to increase the annual level of drug seizures to 35% by 2008. INL's target for seizures in 2003 was 18%. The actual percentage of drugs seized that year was 21.2%. It should be noted that the reason this question is receiving a "LARGE EXTENT" rather than a "YES" is because USAID has not yet developed a long-term outcome measure for its alternative development programs and does not have baseline data or targets against which to gauge progress towards its long-term output measure for these programs.

Evidence: INL's FY 2006 Bureau Performance Plan and Mission Performance Plans for the Andean Region countries; FY 2004 International Narcotics Control Strategy Report (INCSR).

4.2 **Does the program (including program partners) achieve its annual performance goals?**

Answer: SMALL EXTENT Question Weight26%

Explanation: This question received a "Small Extent," because in 2003, the most recent year for which data is available, INL met its target for reducing the number of hectares under coca cultivation from 205,450 hectares in 2002 to 173,000 hectares in 2003. Data for other annual goals does not support a rating higher than "Small Extent."

Evidence: June 2004 USG publication entitled "Major Narcotics Producing Countries: Cultivation and Production Estimates, 1999-2003."

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?**

Answer: NO Question Weight26%

Explanation: No evidence was provided to demonstrate improved efficiencies or cost effectiveness over the prior year. In fact, FY 2003 data for this program's efficiency measure (reduced cost of aerial eradication per flying hour) showed an increase in program cost over FY 2002. However, INL anticipated this increase as well as an increase in FY 2004. Gains are not expected until FY 2006, after the aircraft refurbishment program has begun.

Evidence:

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA Question Weight: 0%

Explanation: There are no other programs that have the depth or breadth of the ACI effort in the Andes. Programs sponsored by the United Nations, Organization of American States, and other countries are small, relatively new, and lack the overall focus of the ACI effort. Thus there is no real basis for comparison.

Evidence:

Program: Andean Counterdrug Initiative (ACI)
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	43%	34%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: SMALL EXTENT

Question Weight 21%

Explanation: Although independent reports historically have not tended to indicate that this program is achieving results throughout the Andean region, this question received a "Small Extent," because a July 2004 GAO report noted that the U.S. Government's counternarcotics strategy for Colombia has resulted in a 33% reduction in the amount of coca cultivated in Colombia over the last two years and a 10% reduction in the amount of opium poppy cultivated over the last year. The report also found that "U.S. nonmilitary assistance to Colombia is beginning to show intended results, but programs are not readily sustainable." In addition, a July 2003 independent evaluation of USAID's market access and poverty alleviation program in Bolivia found that "each component is making good progress."

Evidence: July 2004 GAO report titled "U.S. Nonmilitary Assistance to Colombia Is Beginning to Show Intended Results, but Programs Are Not Readily Sustainable." July 2003 report titled "Evaluation of the Market Access and Poverty Alleviation Project in Bolivia."

PART Performance Measurements

Program: Andean Counterdrug Initiative (ACI)
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	43%	34%	

Measure: Flying hour cost (measured in U.S. dollars) for aerial coca eradication in Colombia

Additional Information: Measures the flying hour cost for eradicating one coca hectare in Colombia. Costs are estimated to rise temporarily as spraying becomes less economical. It assumes that in 2005 aircraft will increase efficiency as the aircraft refurbishment program begins.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	$375.30
2003	390	390.9
2004	395	
2005	$399	
2006	$391	
2007	$375	

Measure: Metric tons of cocaine produced in Colombia, Peru, and Bolivia. The long-term goal is to reduce production by almost 80% to 210 metric tons (MT) by 2010.

Additional Information: The measure demonstrates the effectiveness of ACI programs designed to help the governments of Colombia, Peru and Bolivia to eradicate coca crops, destroy drug processing labs, and halt the diversion of precursor chemicals to drug processing.

Measure Term: Long-term

Year	Target	Actual
2001	Baseline	995 MT
2002	850 MT	880 MT
2003	759 MT	665 MT
2004	636 MT	
2005	537 MT	
2006	438 MT	

Year	Target	Actual
2007	375 MT	

Measure: Hectares (HA) of coca cultivated in Colombia, Bolivia, and Peru.

Additional Information: By reducing the number of hectares under coca cultivation, the program will ultimately reduce the supply of processed cocaine shipped to the United States.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	205,450 HA
2003	173,000 HA	173,000 HA
2004	154,000 HA	
2005	132,000 HA	
2006	111000	
2007	88500	

Measure: Disrupt the shipment of cocaine from the Andean Region to the United States. By 2008, the annual level of cocaine seizures by partner governments should reach 35% of estimated pure cocaine produced each year.

Additional Information: By providing technical assistance and equipment, the ACI program strengthens partner governments' ability to seize cocaine destined for the United States from the Andean Region. This measure reflects the amount of cocaine seized by partner governments each year compared to the estimated cocaine produced each year. The baseline was 12.5% in 2001.

Measure Term: Long-term

Year	Target	Actual
2002	0.15	0.159
2003	0.18	0.212
2004	0.22	
2005	0.25	
2006	0.28	

Program: Andean Counterdrug Initiative (ACI)
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
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100%	63%	43%	34%	

Year	Target	Actual
2007	0.3	

Measure: Increase the number of licit jobs created (agricultural and non-agricultural) in USAID-assisted areas of the Andean region.

Additional Information: This measure tracks the estimated number of farm and non-farm jobs created for vulnerable populations through USAID assistance. These populations represent citizens involved in or vulnerable to becoming involved in illicit (coca) production. The purpose of USAID assistance and services is to provide specific beneficiaries of the program with an alternative method of employment that does not involve illicit growing of coca.

Year	Target	Actual

Measure Term: Long-term

Measure: Increase number of hectares devoted to licit agricultural and/or forest products in areas receiving USAID assistance.

Additional Information: Agricultural and forest products are central to the economies of Colombia, Peru and Ecuador. Expanding and increasing the productivity of licit agricultural crops (alternative crops, non-traditional crops, specialty crops, and licit crops benefitting from improved production techniques) and forest products expands the licit direct and indirect employment base. Hectares of licit products are hectares that remain coca free.

Year	Target	Actual

Measure Term: Annual

PART Performance Measurements

Program: Anti-Terrorism Assistance
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	86%	75%	

1.1 **Is the program purpose clear?** Answer: YES Question Weight20%

Explanation: The purpose of the Antiterrorism Assistance (ATA) program is to build the capacity of key states abroad to fight terrorism. establish relationships between U.S. and foreign security officials to strengthen bilateral anti-terrorism ties, and share modern , humane and effective anti-terrorism techniques.

Evidence: Chapter 8, Part II of the Foreign Assistance Act (FAA) of 1961, as amended, Department of State Performance Plans and budget request.

1.2 **Does the program address a specific interest, problem or need?** Answer: YES Question Weight20%

Explanation: The program reduces the danger of terrorist attacks against American citizens and interests, improves the effectiveness of international terrorism cooperation to reduce terrorist capabilities and punish known or would-be terrorists.

Evidence: Department of State annual report Patterns of Global Terrorism -- The ATA program is one component of the U.S. effort to counter the terrorist threat.

1.3 **Is the program designed to have a significant impact in addressing the interest, problem or need?** Answer: YES Question Weight20%

Explanation: Courses cover such areas as airport security, bomb detection, hostage rescue, and crisis management. A recent component of the training targets the financial underpinnings of terrorists and criminal money launderers. Counterterrorist training and technical assistance teams are working with countries to jointly identify vulnerabilities, enhance capacities, and provide targeted assistance. The ATA program is also developing workshops to assist countries in drafting strong laws against terrorism, including terrorist financing. During the past 17 years, the ATA program has trained more than 35,000 officials from 152 countries in various aspects of counterterrorism.

Evidence: Department of State annual report Patterns of Global Terrorism, Department of State strategic and performance plans, annual budget submissions.

1.4 **Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?** Answer: YES Question Weight20%

Explanation: Other Foreign Assistance programs provide training for foreign law enforcement personnel, but have other purposes than deterrence of terrorist acts. This program is the only global effort to enhance antiterrorism skills of law enforcement officials.

Evidence: The Counterterrorism and Security Group (CSG) chaired by the Deputy Assistant to the President, National Director and Deputy National Security Advisor for Combating Terrorism, was created to coordinate the military, diplomatic, law enforcement, intelligence, financial, and strategic information activities designed to deter, disrupt, and destroy terrorists .

1.5 **Is the program optimally designed to address the interest, problem or need?** Answer: YES Question Weight20%

Explanation: The program is designed to provide training that is responsive both to the identified need, and to priorities determined both by the terrorist threat and policy considerations.

Evidence: The Coordinator for Counterterrorism is responsible for policy oversight of the Department's counter-terrorism programs and is responsible for tailoring policies to combat evolving terrorist trends,. The office recently received a favorable audit report by the Department's Inspector General.

PART Performance Measurements

Program: Anti-Terrorism Assistance
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	86%	75%	

2.1 **Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 14%

Explanation: The ATA program has devoted considerable effort in attempting to quantifiably measure the 'success' of its training programs and is in the process of testing and implementing a new assesssment tool which will rate on a "Likert" scale anti-terrorism capabilities of particpating countries and will document their progress. In addition, a country assistance plan will be developed for each country with specific goals and objectives to be achieved over a two-year training period.

Evidence: 1. Number of particpant countries achieving a capability to effectively deter, detect, and counter terrorist organizations and threats and sustain those capabilities. (new measure, first long-term target of 4 countries in FY 2007) based on bi-annual assessments. 2. Strengthening the bilateral ties of the U.S. with friendly foreign governments by offering concrete assistance in areas of mutual concern measured through bi-annual assessments of cooperation and responsiveness to U.S. requests 3. Increasing respect for human rights by sharing with civilian authorities modern, humane, and effective antiterrorism techniques measured by number of human rights violations reported by the embassy where host country judicial action has not addressed the violation. FY 2004 Performance Plan

2.2 **Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?** Answer: YES Question Weight: 14%

Explanation: The annual performance goals are formally derived in consultation with the Office of the Coordinator for Counterterrorism, (S/CT) whose office provides continually updated guidance on the goals and primary recipients of assistance under the program. A new annual goal will be added beginning in FY 2005 to set a percentage goal for countries receiving training with the initial FY 2005 target of 90 percent of countries achieving the annual goals and objectives identified in the country assistance plan.

Evidence: FY 2003 Performance Plan includes goals performance indicators consistent with performance goals. Performance indicators are tied to performance goals but necessarily are output driven. For example, performance goal of strengthening bilateral ties uses two indicators: number of completed bilateral and multilateral consultations and number of countries implementing United Nations Security Council Resolution (UNSCR) 1373 that requires all member states to suppress and prevent terrorism.

2.3 **Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?** Answer: YES Question Weight: 14%

Explanation: Training forecasts produced by internal office planning are normally submitted to the grantees and interagency agreement partners six months prior to the beginning of the fiscal year to ensure they have available or develop, as needed, the resources to support the requirements of the coming year.

Evidence: Internal program procedures and process. Future improvement would be to collectively document processes and procedures.

Program: Anti-Terrorism Assistance
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	86%	75%	

2.4 **Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?** Answer: YES Question Weight: 14%

Explanation: In recent months there has been a considerable emphasis on ATA enhancing coordination with the International Narcotics Control and Law Enforcement bureau's International Law Enforcement Academies overseas and with other federal agencies that provide law enforcement training to foreign governments. This initiative is being formally chaired by S/CT through a series of bi-monthly interagency coordination meetings, during which support activities are reviewed and 'de-conflicted' to ensure adherence to policy goals, priority of recipients, and the absence of redundant support.

Evidence: S/CT Initiatives

2.5 **Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?** Answer: YES Question Weight: 14%

Explanation: An independent evaluation firm periodically reviews all ATA courses, usually bi-annually, in accordance with a previous Office of Inspector General (OIG) recommendation. This program has helped keep the quality of courses at an optimal level by providing formal recommendations that are subsequently utilized in formal course reviews and updates.

Evidence: Inspector General report and ongoing oversight activities.

2.6 **Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?** Answer: YES Question Weight: 14%

Explanation: The fiscal planning process is constantly being reviewed in the context of new priorities as outlined by S/CT. Support required for emerging priority programs is reviewed with S/CT within the context of impact on other programs competing for the same resources.

Evidence: Inspector General report and ongoing oversight activities.

2.7 **Has the program taken meaningful steps to address its strategic planning deficiencies?** Answer: YES Question Weight: 14%

Explanation: In the last two years, the concept of detailed planning has been expanded from a matter of months to two years in advance. In addition, the events of September 11th have compelled strategic planning to make the program more responsive to on-site training delivery needs overseas, often with short notice, and sometimes in non-permissive environments.

Evidence: Inspector General report and ongoing oversight activities.

PART Performance Measurements

Program: Anti-Terrorism Assistance
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	86%	75%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES — Question Weight: 14%

Explanation: Throughout the training process, information regarding pre-training capabilities of students, suitability of training content to students, and confirmation of relevance of training content to training objectives is obtained and evaluated. Corrective measures are taken as appropriate.

Evidence: Yes contingent upon confirmation and documentation that OIG recommendation to improve course monitoring and curriculum tailoring has been addressed.

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?**

Answer: YES — Question Weight: 14%

Explanation: Achievement of key program results are part of the performance standards for program managers.

Evidence: State Department response based on criteria in annual performance assessments of personnel.

3.3 **Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES — Question Weight: 14%

Explanation: Funds are obligated in advance for each training activity conducted, as the annual plan is implemented. Substitutions of one country for another do occur in response to political realities and shifts in policy priorities, but the training provided is within the intended purpose for which funds were appropriated. As actual costs are determined, surpluses or deficiencies in the committed amount are resolved through adjustments to the annual plan, so that unobligated funds at the end of the year are minimal.

Evidence: Annual budget submissions, sub-account information.

3.4 **Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES — Question Weight: 14%

Explanation: The ATA program does have procedures that are consistent with the approach by that compare efficiencies (bid evaluation for best value). The ATA program does determine the cost of training outputs as part of ongoing resource management within the program.

Evidence: Inspector General report and ongoing oversight activities. Department of State performance plan.

Program: Anti-Terrorism Assistance
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	86%	75%	

3.5 **Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?** Answer: NO Question Weight:14%

Explanation: The direct-hire career employees of the Department of State and their benefits and related overhead are budgeted through the Department's central salaries account within Diplomatic and Consular Programs. All of the program annual costs are budgeted through the Foreign Assistance budget process, and do not include the full annual costs of operating the program.

Evidence: Department of State Chapter and International Assistance Programs budget submissions.

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight:14%

Explanation: Procedures are in place to confirm that all obligations contribute directly to the achievement of program mission and are properly allocated to specific country program activities, or in the case of indirect program costs, are distributed among program activities that share in those costs. Expenditures are reviewed to ensure their utilization for their intended purpose, and to identify and correct improper payments, should they occur.

Evidence: Inspector General report and ongoing oversight activities. Information supplied by program management office.

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight:14%

Explanation: A staff of course managers, hired over the last 18 months, has responsibilities for defined subject-matter content of the training provided, from a standpoint of course content, its delivery, and selection of appropriate students. Adjustments are coordinated in the context of the total curriculum and security skills package.

Evidence: Inspector General report and ongoing oversight activities. Annual Report to the Congress 2001 (course content reviews) and agency-provided material.

4.1 **Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?** Answer: LARGE EXTENT Question Weight:25%

Explanation: ATA has made significant progress in developing quantifiable measures of performance and is in the process of testing and implementing a new assessment tool which will rate on a Likert scale anti-terrorism capabilities and document progress of participating countries. Currently, ATA does maintain extensive assessments establishing a participant country's baseline anti-terrorism capabilities and program reviews identifying their enhanced performance following ATA training and assistance. Assessments and Program Reviews are all performed by qualified law enforcement and military experts in the field of anti-terrorism; this will not change. ATA has developed a system for progressing participant country's through ascending levels of assistance beginning with basic training moving to advanced training and targeted sustainment eventually graduating to programs designed to maintain enhanced engagement and established bi-lateral relationship. Each stage of training will be planned and tracked in individual Country Assistance Plans containing specific goals and objectives.

Evidence: Annual Performance Plan and Report, Annual Report on Global Trends in Terrorism. With the establishment of performance measures for each long-term goal, the measures are now adequate.

Program: Anti-Terrorism Assistance
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	86%	75%	

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: YES Question Weight25%

Explanation: State has prepared performance plans on the ATA program in FYs 2001-2003. In addition, State prepared an FY 2001 performance report on the program. However, performance goals in FY 2001 and FY 2002 were not were not measurable and did not contain specific targets. The FY 2003 performance plan contains measurable targets and a baseline that can be used to more effectively measure annual performance. The key goals below reflect the FY 2003 performance plan. In addition, the Department prepares a separate annual report to the Congress that provides specific program results and impact..

Evidence: FY 2001/2002 Performance Plan, FY 2001 Performance Report, FY 2003 Performance Plan, Anti-Terrorism Assistance Program, Annual Report to the Congress, FY 2001.

4.3 **Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight25%

Explanation: The ATA program performs this function through an independent evaluation of ATA courses, periodic in-country program reviews, and a greater emphasis on 'sustainability' for participating nations. The ATA program is working toward a global training program that maximizes both cost effectiveness and operational efficiency. The large extent reflects efforts to review programs as discussed above but the program does not set in advance targets for improved efficiency that would fully demonstrate the improved efficiencies and cost effectiveness. The Department has requested funds to establish a Center for Antiterrorism and Security Training that will allow ATA to expand to meet projected growth in training needs and allow ATA to better manage its present demands.

Evidence: Annual Report to the Congress 2001, FY 2003 budget submission to the Congress, Inspector General report and ongoing oversight activities. ATA provided program materials.

4.4 **Does the performance of this program compare favorably to other programs with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: The ATA program is a unique federal training assistance program

Evidence:

4.5 **Do independent and quality evaluations of this program indicate that the program is effective and achieving results?** Answer: LARGE EXTENT Question Weight25%

Explanation: Previously cited independent, quality evaluations of the program document that the training is effective, and the periodic program reviews and unsolicited 'success stories' provide documentation and testaments that it is achieving its intended results. The results of these reviews were not made available for this performance review. The large extent is based on the fact that an independent assessment process has been instituted and that these reviews have generally found the program to be successful in accomplishing the desired goal.

Evidence: Budget submissions and bureau program plans, Inspector General report and ongoing oversight activities.

PART Performance Measurements

Program: Anti-Terrorism Assistance
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	86%	75%	

Measure: Number of participant countries that achieve a capability to effectively deter, detect and counter terrorist organizations and threats and sustain those capabilities.

Additional Information: Target:2007: 4 countries, 2008: 8 countries, 2009: 10 countries Actual Progress achieved toward goal:New Measure long-term measure for FY 2005

Measure Term: Long-term

Year	Target	Actual
2007	4	
2008	8	
2009	10	
2005		
2006		

Measure: Strengthening the bilateral ties of the U.S. with friendly foreign governments by offering concrete assistance in areas of mutual concern

Additional Information: Target:Measure will assess level of cooperation of countries engaged with the US in anti-terrorism assstance programs. Actual Progress achieved toward goal:Rating system and targets for each country to be established

Measure Term: Long-term

Year	Target	Actual

Measure: Increasing respect for human rights by sharing with civilian authorities modern, humane, and effective antiterrorism techniques

Additional Information: Target:No violatiions for countries participating in ATA training programs Actual Progress achieved toward goal:To be meausred through bi-annual assessments of host country performance

Measure Term: Long-term

Year	Target	Actual

Measure: Percentage of United Nations (UN) member states implementing UN Security Council Resolution 1373 that requires all states to take sweeping measures to combat terrorism.

Additional Information: Performance Target: For FY 2003, Performance Target is to have 96 states implement UNSCR 1373 and to complete 25 bilateral and multilateral consultations Actual Performance:In 2001, the UN established a Counterterrorism Committee to monitor and assist members in implementing UNSCR 1373 and the Department completed 9 bilateral and multilateral consultations.

Measure Term: Annual

Year	Target	Actual
2002	82%	82%

Program: Anti-Terrorism Assistance
Agency: Department of State
Bureau: Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	86%	75%	

2003	86%	
2004	91%	
2005		
2006		

Measure: Number of planned anti-terrorism courses and number of course evaluations to ensure that skills taught continue to be retained and used after training is completed.

Additional Information: Performance Target: For FY 2003, Performance Target is to provide 210 ATA courses in support of antiterrorism activities in 60 countries and conduct program reviews for participant countries on a bi-annual basis Actual Performance:In FY 2001, ATA provided 135 ATA courses and performed 14 in-country program reviews.

Measure Term: Annual

Year	Target	Actual
2002	135/14	135/14
2003	238/14	
2004	260/16	
2005	280/18	
2006		

Measure: Annual MeaurePerform consistent and timely reviews of groups designated as Foreign Terrorist Organizations (FTO) pursuant to US law,

Additional Information: Performance Target: Perform 100% of FTO reviews within a year; no new addition pending for more than 4 months. Actual Performance:In FY 2001, 31 groups were designated as FTOs.

Measure Term: Annual

Year	Target	Actual
135		
2005		
2006		

PART Performance Measurements

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

1.1 **Is the program purpose clear?** Answer: YES Question Weight 20%

Explanation: ACE holds two sets of partners accountable for cost, schedule & performance results; specifically 1)Posts and their program partners are held accountable for phasing out strategic assistance areas on schedule as they have been held accountable for phasing out the programs in the eight countries where we provided assistance that have now joined the European Union. They are also held accountable for improving their own use of performance information to improve the efficiency and effectiveness of US assistance and relevance to Department goals. Annual reports and MPPs will be used to monitor accountability. Question 2.5 provided an example of the GRASP program. 2)Agency partners are held accountable through the annual meetings as in bullet three of question 3.1 with the performance data they submit. Each agency pipeline is reviewed twice a year. Agencies are required to submit financial data to get new funding.

Evidence: SEED and FSA Acts; Charter for Coordinator of U.S. Assistance to Europe and Eurasia; ACE Mission Statement

1.2 **Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight 20%

Explanation: The Office of the Coordinator ensures targeted, relevant and efficient assistance to SEED and FSA countries. With 40 agencies playing a role in assistance to these countries, it is necessary to have one point of coordination: that is the Assistance Coordinator. Country strategies balance strategic interests; while individual agencies are focused on agency specific missions. ACE has initiated and is chairing interagency Country Phase-Out Assessment meetings to establish timeframes for phase out of strategic assistance areas in each country where we still provide assistance. It has been clear in those meetings that the Coordinator's office supports more ambitious timeframes than the implementers. ACE reviews budgets quarterly across all agencies (program performance & pipeline). ACE is the central point of donor coordination e.g. counternarcotics work with the EC: we coordinate INL, NP & DEA. Overall, the SEED & FSA administrative structure and regional accounts were intended to be temporary and to facilitate the relatively short-term transition of these countries. Over ten years later, they are still in existence as the transitional period in these countries has taken much longer than predicted.

Evidence: List of Agencies coordinated; Country Phase Out Assessment Guidelines; Sample country budget report; FSA and SEED Acts; ACE Charter

1.3 **Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight 20%

Explanation: ACE plays a unique role of coordination required by statute and is expanding its ability to deal with issues of efficiency and effectiveness. ACE is the interface between the policy and political environment of the State Department and the foreign assistance role of USAID, USDA, and other agencies and parts of the DOS that implement programs in the regions as well as other global donors. An example is ACE coordination of energy reform in the Caucasus collaborating with the World Bank and the European Commission: ACE coordinated the experience of the Department of Energy, USAID and the State policy people. No one else makes the policy and budget tradeoffs. The Country Phase-Out Assessment process is also indicative of the role not taken by anyone else: systematic objective assessment to inform the recommendations made by an interagency group of policy makers and implementers.

Evidence: Country Phase Out Assessment Guidelines; ACE Charter

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

Answer: YES Question Weight: 20%

Explanation: The office has a clear overarching goal to assure that democracy and market economies are irreversible. There is an established process of working with posts to develop country strategies There is also a process to assess the timeframe for phase out and the priorities to allow that to happen. Budget performance and management of pipelines are incroporated into the budget allocation process. Country goals and indicators for assistance have been extended to MPPs this year. SEED/FSA Annual Reports provide the mechanism to report on performance and are timed to modify budget plans. The Coordinator's Office has excellent engagement with implementers, policy staff, the Hill and stakeholders.

Evidence: (ACE Mission Statement) (Country Assistance Review Guidelines) (Country Phase Out Guidelines) (Minutes of JPC Meeting ' March 24, 2003 & Pipeline guidances Oct 2003 and May 30,2004) (Guidance cable on Annual reports and ACE addendum to guidance cable on MPPs. US share of development assistance.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES Question Weight: 20%

Explanation: The Coordinator's Office ensures that resources reach intended beneficiaries and address the purposes of the SEED and FSA Acts. ACE directs resources to those posts and agencies with a comparative advantage in implementing the priority programs. The Coordinator's office: Works with posts to develop country strategies; Allocates country budgets based on strategic importance, need, ability to have impact, effective use of funds; Solicits posts' recommendations for tradeoffs within their country between strategic priorities and appropriate implementers to achieve goals and reach end beneficiaries. Has introduced performance data into MPPs and SEED/FSA Annual Reports which institutionalizes the assessment of impact on goals and beneficiaries. Finalizes budget allocations only after confirming pipeline analysis showing the agency's utilization of funds.

Evidence: Guidance on strategy reviews; Agency Budget Review memo dated Sept. 16, 2003; Country Phase out Guidance; MPPs and Annual Reports

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: YES Question Weight: 13%

Explanation: The purpose of SEED and FSA assistance is to ensure that the transition to democracy and market economies is irreversible in each of the countries. The Coordinator's office has established performance measures (economic and democracy reforms matrix and the economic performance and needs matrix) that are based on independent and highly credible sources. Goal lines have been established that help us determine the phase out timeframes. The process to implement these assessments is that, when the timeframe is five or fewer years, the post will develop a phase out strategy. Assessments will be reported in the BPP process. Indicator: Number of countries that phase out of democracy assistance in established timeframes. Number of countries that phase out of economic assistance in established timeframes.

Evidence: Country Phase Out Guidelines; USAID, Monitoring Country Progress 2004, Guidance cable on the annual report

PART Performance Measurements

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 13%

Explanation: Proposed phase out timeframes are very ambitious because these are changes which the USG can influence but cannot directly cause to be achieved. The Phase Out process has led to ambitious, but realistic phase out timeframes (see Chart for economic and democratic phase out timeframes). This year, the timeframes are being established. In future years, the target would be to phase out in the timeframes established. These were developed from "goal lines" that represent the average of the progress made by Bulgaria and Romania when they were invited into NATO. The goal lines represent systematic country performance information from highly credible international sources to estimate when the economic and democratic reforms in SEED and FSA countries will most likely be irreversible. Assumptions and progress will be reviewed annually to determine wehther targets remain accurate. The causal links between USG assistance programs and the ability to impact the indicators used to measure progress towards the long-term goals are tenuous.

Evidence: Draft Country Phase Out Timeframe Chart

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 13%

Explanation: Yes the Coordinator's Office has four types of indicators: Effectiveness: Countries monitored annually for achievement of their MPP targets and ACE takes actions as necessary. Quality Management: Ensure that performance data reported in Annual Reports and MPPs is sufficient quality and relevance to make phase out decisions. Progress toward graduation: Whether and when to phase out economic and democratic assistance Review Phase out timeframes annually as part of the Annual report and MPP review processes to reconfirm that the established phase out timeframe is still accurate. Efficiency of the allocation of assistance: Percentage of country programs with pipeline red flags (as defined in question 2.4)

Evidence: Guidance to ACE staff for review of MPPs and Annual reports

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 13%

Explanation: 100% annual reports and MPPs reviewed by ACE for performance and consistency with policies and priorities, 100% annual reports & MPPs using performance data consistent with FSA & SEED goals & standards (fully consistent, mostly consistent, consistent, and needs work), 100% review of established phase out timeframes, 10 % country pipelines with red flags (expanded pipelines greater than 30 months) not adequately justified

Evidence: Pipeline review on September 30, 2003 data; Program to Strengthen Performance Measurement in Europe and Eurasia

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: YES Question Weight: 13%

Explanation: All partners working on economic and democratic reforms are working toward the achievement of the reforms represented by the goal lines and therefore the phase out of assistance on the established timeframe. Although security and law enforcement do not have explicit 'goal lines', resources are directed toward preparing those countries to be partners with the USG in international security and law enforcement efforts and timeframes are established on that basis. Posts are held accountable through review of the Annual Reports and MPPs. For example, funds for the GRASP program in Romania were put on hold for nonperformance and reprogrammed to INL. Agencies are held accountable in the annual budget review meetings ACE holds with each agency to discuss proposed funding. ACE screens proposals for that agency's contribution to ensuring democratic and economic transitions. Agencies must present performance information to justify their budget.

Evidence: SEED and FSA Annual Reports; Agency annual budget review memo "EUR/ACE Review of FY 2004 Agency Program Proposals"

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 13%

Explanation: Each agency is required to evaluate the effectiveness of their programs. For example in FY03, Management Systems International conducted an eight country Rule of Law Evaluation. Lessons from that evaluation are being fed back into democracy and, and to some extent, law enforcement programs in the region. In an example of a program managed in ACE the Stability Pact has initiated an external evaluation of the Investment Compact. For FY 04, the Coordinator's office has identified three areas where insufficient evaluation work has occurred previously and planned evaluations: 1) Land Grant University staff have been contracted by USDA assistance in Armenia (team in the field) 2) an evaluation of customs programs implemented by Dept. Homeland Security (scope of work being drafted) and if funds allow, 3)a region-wide comparative assessment of Democracy Commission grants. For FY 05, the Coordinator's Office will identify those areas with multiple agencies addressing the same objectives and plan a multi-country comparative program evaluation.

Evidence: USAID Evaluation and Analytic Agenda; MAP scope; AT Kearney prelinary report for the Investment Compact; TTF scope of work on customs and the scope for the Democracy Commission grants are currently being drafted.

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: YES   Question Weight: 13%

Explanation: The country phase out data links performance quite explicitly to the timeframe of continued assistance. In the BPP, we will present results of the inter-agency assessments for phase out and link the results directly to the SEED and FSA resource requests. For example, one priority area that has come up in many country phase out assessment meetings is that of creating jobs through small and medium enterprise programs. The FY 2006 budget request identifies jobs as one of four priorities for budget increases. When determining country levels, performance is a factor. Pipeline Performance is factored into resource decisions: e.g. ACE held up Macedonia & Albania programs until pipeline anomalies were corrected. By 2006, a database to link performance to budget will be built. However, there are no documents that hold implementing agencies accountable to the Coordinator for results to be achieved with each tranche of funds, or that specify the consequences of failing to achieve results.

Evidence: draft EUR Investment Prospectus and BPP tables; EUR/ACE Investment Strategy, Agency annual budget review memo "EUR/ACE Review of FY 2004 Agency Program Proposals"

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?**

Answer: YES   Question Weight: 13%

Explanation: ACE has identified annual goals and measures for the Coordinator's office as a management unit as well as strengthening the performance measures for the long-term goals. The new Coordinator has demonstrated strong interest in and attention to using long term and annual measures in management. ACE has hired a specialist in strategic planning and performance monitoring to improve these in ACE and to work with the posts to strengthen theirs. To strengthen that link, this person has been given the budget responsibility as well.

Evidence: Coordinator's testimony before SFRC March 2, 2004 (not presented) ; ACE Mission Statement; Position Description for director of Program Budget Unit

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES   Question Weight: 11%

Explanation: Generally in our relationships with our partners as well as these three key ways: 1) The Phase out Process is based on systematic, objective data from highly credible sources. In order to be transparent, this data is used in interagency meetings to make initial determinations of phase out timeframes. In addition, the Coordinator will chair interagency meetings in which he will communicate the timeframes for phase out as well as identify certain program priorities necessary to achieve phase out. 2) ACE required posts to submit program impact and effectiveness information in Annual reports and MPPs and is working with posts to be sure this information is timely and based on credible sources. 3) The Coordinator's Office also meets with partner agencies to discuss their program proposals for the coming year. ACE requests "performance measurement plans and targets."

Evidence: Annual report and MPP guidance; "Memo Re: "EUR/ACE Review of FY2004 Agency Program Proposals" dated September 16, 2003

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 11%

Explanation: ACE holds two sets of partners accountable for cost, schedule & performance results; specifically 1)Posts and their program partners are held accountable for phasing out strategic assistance areas on schedule as they have been held accountable for phasing out the programs in the eight countries where we provided assistance that have now joined the European Union. They are also held accountable for improving their own use of performance information to improve the efficiency and effectiveness of US assistance and relevance to Department goals. Annual reports and MPPs will be used to monitor accountability. Question 2.5 provided an example of the GRASP program. 2)Agency partners are held accountable through the annual meetings as in bullet three of question 3.1 with the performance data they submit. Each agency pipeline is reviewed twice a year. Agencies are required to submit financial data to get new funding.

Evidence: Phase Out ' Time Frame Chart;MPPs and Annual Report guidance; "Memo Re: "EUR/ACE Review of FY2004 Agency Program Proposals" dated September 16, 2003

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 11%

Explanation: Most SEED and FSA funds are obligated in a timely manner. Eighty-five percent of this two year money is moved out to agencies within the first year. This year, the Coordinator's office has included "budget not yet obligated" in the pipeline analysis to emphasize the importance of timely obligation and to be able to shift funds to other purposes or countries if blocks to obligation continue. The Coordinator's office continues to monitor pipelines twice yearly for both the SEED and FSA accounts. In FY 04 for example, ACE held up the Macedonia and Albania programs until pipeline anomalies were corrected. SEED and FSA assistance are spent for the intended purposes. The Annual Reports and the MPPs are the source of information on whether funds are spent for the intended purpose supported by the Inspector General offices of the various agencies.

Evidence: NOA Tracker Pipeline analysis; Annual Reports and MPPs

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES Question Weight: 11%

Explanation: In terms of managing partners towards efficiencies and cost effectiveness, the Coordinator's office relies on: agencies' pipeline analysis which reflects not only their efficiency in moving money but can also reflect the efficiency and effectiveness of using the money; and the annual meetings with agencies where their performance is discussed in the context of their request for additional resources factoring in the data provided by posts on performance as a check. ACE's own efficiency is being measured through the indicator: ACE admin costs as % of all assistance coordinated. (NB funding cuts for exchanges in SEED & FSA levels for FY 2004 with the same staff caused the percentage to increase in 2004.) Staff are still required to coordinate budget levels & impementation with ECA.

Evidence: Pipeline analysis; "Memo Re: "EUR/ACE Review of FY2004 Agency Program Proposals" dated September 16, 2003, Democracy Evaluation Matrix

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight: 11%

Explanation: The primary mission of the office is coordination. Examples of coordination are given above such as the interagency process of Phase Out Assessments, coordination of budget and strategy reviews with partner agencies, participation in the Joint Policy Council, etc. This year, the democracy unit in ACE initiated monthly meetings on programs and policies with DRL and USAID that are being held up as a model of coordination. The ACE mission statement explicitly includes : "Solicit the expertise of U.S. field missions and implementing agencies as a foundation for strategies and budgets" showing the value placed on working collaboratively with the field. ACE routinely coordinates with EU and the OECD. Norway and Estonia recently expressed interest in working together in Georgia asking our thoughts on how best to engage there.

Evidence: ACE Mission statement; Summary of 4-28-04 Democracy Coordination Meeting

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight: 11%

Explanation: ACE uses strong financial management practices. For example, there were two ways in which financial management practices have been further improved this year: (1) The standards and processes for the budget function used in FSA are being applied to SEED as well as all budgeting is being done in the Program and Budget Unit; (2) We have agreed with USAID on standardized quarterly reporting with twice yearly pipeline reporting. To strengthen financial management practices, ACE does one lump sum apportionment, an OMB suggestion, with adjustments as necessary. The ACE current year budget analyst uses a tracking sheet to focus on keeping the funds moving.

Evidence: NOA FY 04/05 SEED Funds

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 11%

Explanation: The coordinator is building on the reorganization that combined SEED and FSA and has added a Program and Budget Unit that will manage an integrated budget and explicitly link it with performance measurement. The new Program and Budget Unit will be able to build on the best practices of the SEED and FSA offices. Statutorily, the SEED and FSA budgets must be presented separately as they are separate accounts, but the Coordinator is pursuing the application of standards and processes for both SEED and FSA as indicated in question 3.6. ACE has addressed multiple PART recommendations from last year.

Evidence: Functional Statement for the Program and Budget Unit in ACE; Tracker

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?** Answer: NO Question Weight: 11%

Explanation: The Coordinator's office directly manages a limited number of grants and contracts itself. In FY 2003, of the $14.3 million the Coordinator's Office directly managed, 41% was competitive: Humanitarian assistance and the PVO Grants ($8.4 million) are not competitive; Transportation ($5.86 million) is competitive. The transport grants have very clear procedures for competition using a tender process managed by a transportation agent. For the PVO grants, EUR/ACE uses "notwithstanding authority" to meet emergency needs on a real-time basis, providing critically needed emergency commodities to displaced or suffering population. The remaining 98% of SEED & FSA funds are subject to Federal Procurement Regulations as applied by each agency. Their competitiveness processes are reviewed by the agencies' IG offices and not by the Coordintor's office.

Evidence: Transportation tender process; Democracy Commission grants approval memo.

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 11%

Explanation: ACE provides oversight in coordination with the field posts. The Humanitarian grants are overseen by the Humanitarian unit in ACE in close phone and email communication with posts on a real time basis. Commodities are tracked to their final location to be sure that help arrives as fast as it can. PVOs are required to submit reports on their assistance. All grantees are required to submit financial and program reports upon the conclusion of their projects. The Coordinator's office provides little direct oversight of its implementers' grantees. Instead, once allocations are made, implementors (such as USAID) manage their own programs directly. All agencies receiving FSA and SEED funds are required to submit to periodic program and financial audits through their Inspector General.

Evidence: Sample Democracy Commission grant agreement

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: NO Question Weight: 0%

Explanation: The SEED and FSA Annual Reports are publicly available but data is not disaggregated at the grantee level. While USAID/E&E receives quarterly performance reports from grantees and contractors, and aggregates the data reported in the Congressional Budget Justification, this performance information does not provide evidence for all FSA and SEED competitive grants and is not compiled by the Coordinator, the program manager for SEED and FSA.

Evidence: SEED and FSA Annual Reports

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: YES Question Weight: 30%

Explanation: On May 1, 2004, Eastern Europe celebrated the inclusion of ten new countries in the EU ' eight of them had received assistance from the U.S. If you exclude the countries of the former Yugoslavia, this means that eight of the twelve SEED countries have already phased out of both economic and democratic assistance(see the Country Phase Out Timeframe Chart). Two more countries are scheduled for phase out in 2006: Bulgaria and Croatia; with Russia scheduled for economics to phase out in 2006. The proposed schedule for the remaining SEED and FSA countries is being developed. It should be noted that the data used to establish the phase out timeframes come from the monitoring Country Progress indices for democracy and economics that were reported in last year's PART. ACE is still using and monitoring this data but now using it in a way more tied to the management of our programs.

Evidence: Draft Country Phase Out Timeframe Chart

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: LARGE EXTENT — Question Weight: 30%

Explanation: Review of Phase out timeframes: the baseline is established (May 2) and programs will be reviewed in FY05 for consistency with phase out timeframes. Effectiveness ' 100% of annual reports and MPPs were reviewed by ACE staff this past year. 100% of annual reports used performance data consistent with FSA and SEED goals and standards (the lowest acceptable rating with targets of increased consistency over time) before the report was approved for printing. 100% of MPPs had objectives and performance data at least consistent with FSA and SEED goals and standards (the lowest acceptable rating). Percentage of country programs with pipelines greater than 30 months with inadequate justification' data pending.

Evidence: Baseline for phase out timeframes will be proposed to Armitage June 10; Pipeline report from Sept 03 and March 31, 04 (pending)

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: YES — Question Weight: 30%

Explanation: The efficiency indicator for the Coordinator's office is: ACE administrative costs as a percent of all assistance coordinated by ACE. The FY 2004 value is 0.45%. In the development of the FY 06 budget request, the Coordinator requested deputies to identify savings as part of the process for developing their requests. Savings included: the decreased need for humanitarian assistance in, for example, Azerbaijan, Belarus & Ukraine; in response to progress in economic reform, there is reduced need for economic assistance in Russia and Ukraine, for example. For this year, the major efficiency role played by the coordinator's office is to assure that funds are allocated to agencies that can spend them in a timely manner. This is why the pipeline analysis is such a key tool in program management.

Evidence: Administrative costs analysis; pipeline analysis; EUR investment proposal (shows the savings in humanitarian and economic as well as other assistance.)

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: NA — Question Weight: 0%

Explanation: There are no other comparable examples of this kind of coordination mechanism for a broad geographic region to compare to ACE.

Evidence:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: NO — Question Weight: 10%

Explanation: Several independent evaluations focused on the impact of cross-cutting and specific programs directly at the FSA & SEED Act purposes have been completed or are in the process of being contracted. However, there has been no direct evaluation of ACE in its role as a coordinator or the impact this office has on the effectiveness of these programs and the achievment of the FSA & SEED Act's purposes. EUR/ACE is planning an independent evaluation to begin this year and is drafting a scope of work.

Evidence: SEED and FSA Annual Reports

PART Performance Measurements

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

Measure: Assistance Coordinator for Europe and Eurasia (ACE) administrative costs as a percent of all assistance coordinated by ACE.

Additional Information: The targets and baselines are by % of SEED/FSA funds directly managed and as a % of all assistance managed. SEED/FSA=S/F

Measure Term: Annual

Year	Target	Actual
2002	Baseline	NA
2003	0.37%-S/F, 0.2%-all	0.37%-S/F, 0.2%-all
2004	0.45%-S/F, 0.2%-all	
2005	0.5%-S/F, 0.2%-all	
2006	0.5%-S/F, 0.2%-all	
2007	0.5%-S/F, 0.2%-all	

Measure: Improve scores on the monitoring Country Progress Index for Economic Reform. Scores range from 1-5 with 5 being optimal.

Additional Information: Improve scores on the economic reform index. Indicates the transition to a market economy is sustainable. Scores range from 1-5 with 5 representing standards of advanced industrial market economies). Targets for SEED=S, Targets for FSA=F

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	S- 2.82 F- 2.47
2003	S--2.9 F--2.55	S-2.9 F- 2.55
2004	S- 3 F- 2.65	
2005	S- 3.1 F- 2.75	
2006	S- 3.2 F- 2.85	
2007	S- 3.3 F- 3.0	

PART Performance Measurements

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

Measure: Improve scores on the monitoring Country Progress Index for Democratic Reform. Scores range from 1-5 with 5 being optimal.

Additional Information: Improve scores on the democratic reform index. Indicates the transition to a democratic society is sustainable. Scores range from 1-5 with 5 representing standards of advanced democratic institutions). Targets for SEED=S, Targets for FSA=F

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	S- 3.2 F- 2
2003	S- 3.78 F- 1.96	S- 3.78 F- 1.96
2004	S- 3.9 F- 2.0	
2005	S- 4.1 F- 2.2	
2006	S- 4.3 F- 2.3	
2007	S- 4.4 F- 2.3	

Measure: Number of countries that phased out of democracy assistance in established timeframes.

Additional Information: Democracy assistance phased out as transitions become irreversible in each country.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	NA
2003	8 SEED	8 SEED
2004	Baseline: est.	
2005	N/A	
2006	2 SEED	
2007	N/A	

PART Performance Measurements

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

Measure: Number countries that phased out of economic assistance in established timeframes.

Additional Information: Economic assistance phased out as transitions becomes reversible in each country.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	NA
2003		NA
2004	Baseline: est.	
2005	NA	
2006	3 SEED, 1 FSA	
2007	NA	

Measure: 100% review of established phase out timeframes

Additional Information: Review country assistance phase-out timeframes annually as part of the Annual Report and MPP review processes to reconfirm that established phase-out timeframes are still accurate.

Measure Term: Annual

Year	Target	Actual
2004	Baseline:est.	
2005	1	
2006	1	
2007	1	

Measure: 100% Annual Reports and MPPs reviewed by ACE for performance and consistency with policies and priorities.

Additional Information: Countries monitored annually for achievement of MPP targets and ACE takes action as necessary, i.e. effectiveness.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	NA

Year	Target	Actual
2003		NA
2004	Baseline:100%	
2005	1	
2006	1	
2007	1	

Measure: % annual reports and MPPs using performance data consistent with FSA and SEED goals and standards (fully consistent, mostly consistent, consistent and needs work)

Additional Information: Ensures that performance data reported in Annual Reports and MPPs is sufficient quality and relevance to make phase out decisions. The goal is to have all MPPs and annual reports move from consistent [C] to mostly consistent [MC].

Measure Term: Annual

Year	Target	Actual
2002	Baseline	NA
2003		NA
2004	Baseline:all [C]	
2005	6 [MC], 13 [C]	
2006	12 [MC], 7 [C]	
2007	All [MC]	

Measure: % country portfolios with expanded pipeline greater than 24 months as of September 30 (and 30 months as of March 31) not justified by events or implementation requirements

Additional Information: Ensure efficient use of assistance. Pipeline review of May 17 2004 will establish baseline and targets will be developed.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	NA

Program: Assistance Coordination of SEED/FSA
Agency: Department of State
Bureau: Bureau of European and Eurasian Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	89%	80%	

2003		NA
2004	0.04	
2005	0.04	
2006	0.04	
2007	0.04	

PART Performance Measurements

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The Foreign Service Buildings Act of 1926 gives the Secretary of State the power to purchase or construct facilities abroad and that is also reflected clearly in the mission statement of the Department's Bureau Overseas Buildings Operations (OBO): "...to ensure that U.S. Diplomatic and Consular Missions abroad are provided safe, secure, and functional facilities...." The upsurge of international terrorism, particularly the 1998 bombings of U.S. embassies in East Africa, added emphasis to security issues. The purpose of OBO's security-related construction program was further specified in subsequent legislation and numerous State Department documents. The latter include OBO's Long-Range Overseas Buildings Plans, OBO's and the Department's annual performance plans, and annual budget requests that detail both the nature of the program and the purposes of individual construction projects.

Evidence: a. Foreign Service Buildings Act, 1926 (P.L. 69-186), as amended b. OBO Mission Statement c. FY 1998 Emergency Supplemental Appropriations Act d. Secure Embassy Construction and Counterterrorism Act of 1999 e. Long-Range Overseas Buildings Plan, FY04-09 f. FY2004 Bureau Performance Plan g. Dept. of State FY04 Perf. Plan h. FY 03 DOS/OBO Congressional Budget Request for Embassy Security, Construction, and Maintenance i. FY 04 Budget Request BPP Evidence: A/S Statement: Goal Papers: Goal Paper #1

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Beginning with the "Inman Report" in 1985, and reinforced by reports of several high-level panels in the late 1990s, the consistent conclusion has been that personnel and operations at most U.S. diplomatic missions are in serious danger from terrorist and other security threats. The ample evidence has consisted of multiple attacks on overseas posts that are even more endangered in the environment of increasing worldwide terrorism. Paralleling these reports has been legislation, starting with the Omnibus Diplomatic Security Act of 1986 and (after a hiatus in funding for security-related construction projects) continuing with appropriations acts in FY 1998 through the present, that also spell out the problem and the related requirements. No doubt exists that there is a specific and very serious problem being addressed by the security capital construction program.

Evidence: See Sec. 1, Q 1 c - i j. Report of the Secretary of State's Advisory Panel on Overseas Security, 6/85 k. Omnibus Diplomatic Security Act of 1985 l. Report of Accountability Review Boards on Embassy Bombings in Nairobi and Dar es Salaam, 1/99 m. America's Overseas Presence in the 21st Century, Report of the Overseas Presence Advisory Panel (OPAP), 11/99 n. Congressionally approved top 80, high-risk posts (Classified) o. Semi-Annual Report to Congress on Acquisition and Major Security Upgrades, 6/03 bbb. House Report on CJS FY02 Appropriations Bill BPP Evidence: A/S Statement: Goal Papers: Goal Paper #1

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: The Foreign Buildings Act of 1926, as amended, empowers the Secretary of State to acquire by purchase, construction, or exchange, buildings or grounds in foreign countries. Even though the Department of Defense has an overseas facilities program, DOD buildings are separate from those on diplomatic posts. USAID has received funding to place buildings on some embassy compounds, but these are constructed by OBO and planned and fully synchronized between USAID and OBO. In fact, DOS-USAID cooperation has reached new heights with annual State-USAID Strategic Plans and a recently formed Joint Management Council. USAID buildings pose no danger of duplications or overlaps. Thus, there is no other Federal facilities construction program of the nature of that carried out by OBO and, therefore, no potential redundancies.

Evidence: a. Foreign Service Buildings Act, 1926 (P.L. 69-186), as amended zzz. STATE 268997 on DOS-USAID Joint Strategic Plan and JMC BPP Evidence: A/S Statement:

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: Beginning in 2001, based on its new Director's extensive experience and knowledge of key industry best practices, OBO underwent a major reorganization; made extensive, corresponding improvements; and had a period of further refinements. While all OBO programs have benefited, the central focus was to enable OBO to effectively and efficiently execute the greatly expanding capital construction program that came in the wake of the 1998 bombings of U.S. embassies in East Africa. Dramatic increases in capital projects in construction, substantially lower project costs, accelerated schedules, and superior products have all flowed from the better program design. It is not only free from significant flaws; it will be even further enhanced if Congress approves inter-agency capital security cost sharing—a concept developed by OBO and OMB to ensure adequate capital funding and promote "rightsizing" of mission staffing.

Evidence: r. IDR process y. Org Chart to address deficienies cc. Business case gg. Cable to posts on involvement in capital projects ii. OBO Pillars ttt. Chair, Subcmte CJS ltr dated 3/4/04 (cost sharing) vvv.Cost Sharing Cable www. List of cap construction projs completed since FY01 and projects in construction eeee. Stewardship Report 2003 BPP Evidence: A/S Statement:

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: The direct purpose of the program is clearly articulated in OBO's LROBP, with the specific need, nature, and intended benefits of each project spelled out in detail. The annual LROBP updates are, in turn, the products of wide-ranging intra-Departmental and inter-agency coordination to ensure that funds are directed at the highest priorities and planned in the optimum manner. Extensive consultations are done at the OMB and Congressional levels. The program's growth, the need to respond to the increase in the terrorist threat, and the improvement in OBO's organizational capabilities have combined to produce a program that is highly visible, meticulously planned, closely scrutinized, and precisely targeted. Over 7,000 of the intended beneficiaries of the capital program;employees serving at diplomatic posts overseas;have already been placed in new, secure, functional, safe facilities, and the construction program has reached record heights.

Evidence: e. LROBP FY2004-09 sss. OBO FY 2005 Budget Req. www. List of cap construction projects completed since FY01and projects currently in construction BPP Evidence: A/S Statement:

PART Performance Measurements

			Section Scores				Rating
Program:	Capital Security Construction Program		1	2	3	4	Effective
Agency:	Department of State		100%	100%	100%	93%	
Bureau:	Overseas Buildings Operations						
Type(s):	Capital Assets and Service Acquisition						

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight:11%

Explanation: The program's desired outcome is much greater protection of overseas personnel, operations, and information from terrorism and other threats in facilities at the Department's highest risk posts. The Department intends to achieve this outcome with 187 major, multi-year construction projects'almost 20 percent of which were completed or started in the FY01-to-present period. What remains is a 14-year span (assuming Congressional approval of cost sharing) in which to receive funding for the remaining projects in what will be a program of unprecedented speed and magnitude for the Department. The top 80 high-risk posts in annual Congressional Report constitutes the initial long-range target, which is reflected in OBO's LROBP'along with specific performance goals/measures that closely track the requirements for and progress of replacing facilities at those posts. The major four measures are limited and focused on the most critical elements for the success of this program.

Evidence: e. Long-Range Overseas Buildings Plan (LROBP) p. Performance Measures for Capital Security Construction Program (abbreviated list) ll. Performance Measures for a Results-Based Organization" BPP Evidence: A/S Statement: Goal Paper I/P#1

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight:11%

Explanation: Performance targets are highly ambitious and ensure that the program stays on the "fast track." Over the next 14 years, largely through the new agency capital security cost-sharing initiative, the program will seek to fund the replacement of facilities at the remaining 150 (from the original 187) most vulnerable overseas posts. A brief review of the 75 new embassy compounds recently constructed, currently under construction, and in planning thru FY06 prove that the targets have been and continue to be highly ambitious. They also show that OBO has reached a historically high productivity level that demonstrates its abilities to maintain the pace needed to complete the proposed 14-year cycle. See question 4.1 for more detailed supporting data. Ambitiousness is equally reflected in the quality/cost-effective targets of the program and the organization. In combination, the targets, timeframes, and measures represent dramatically higher standards and aspirations.

Evidence: e. Long-Range Overseas Buildings Plan (LROBP) p. Performance Measures for Capital Security Construction Program (abbreviated list) ll. Performance Measures for a Results-Based Organization" BPP Evidence: A/S Statement: Goal Papers: Goal Paper I/P #1

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:11%

Explanation: From OBO's comprehensive annual performance goals, as described in its 75-page "Performance Measures for a Results-Based Organization," a limited number of key goals have been selected to demonstrate progress in the Capital Security Construction Program. These are to award contracts on time in accordance with the LROBP, to complete projects on schedule and within budgets, and to acquire sites for capital projects per the LROBP timetable. These discrete, quantifiable goals clearly represent meaningful measurements of progress. With acquisition of sites being a prerequisite for subsequent construction of facilities, for example, these sequential achievements indicate critical progression towards next steps in the upcoming target periods. The goal for awarding actual construction or design-build contracts is the clearest indicator of progress, with execution within budget and schedule goals being two central measures of efficiency.

Evidence: e. Long-Range Overseas Buildings Plan (LROBP) p. Performance Measures for Capital Security Construction Program (abbreviated list) ll. Performance Measures for a Results-Based Organization" BPP Evidence: A/S Statement: Goal Papers: Goal Paper I/P #1

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight:11%

Explanation: Baselines and ambitious targets are in place. The overall program now has a time span of approximately 14 years (assuming Congressional approval of cost sharing) to fund 150 capital security construction projects (those remaining from the 187-project post-East Africa bombings baseline) on the most non-secure overseas compounds. By a huge margin, this is the most ambitious building program ever undertaken by the Department. In six-year increments, each project has a target start period specified in OBO's LROBP. Contracts with design and construction firms subsequently provide detailed timelines, and measuring takes place weekly in project status sessions and monthly in project performance reviews. Strict adherence to targets is stressed in these sessions and in the overall planning/execution process, accompanied by constant attention to keeping projects on the most accelerated schedules possible and controlling costs to the greatest extent feasible.

Evidence: e. Long-Range Overseas Buildings Plan (LROBP) xxx. FY 2005 Dept. Performance Report (DPP) and FY 2005 BPP; baselines and performance measures yyy. OBO Bugle (2004 No. 1) BPP Evidence: A/S Statement: Goal Papers: Goal Paper I/P#1

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:11%

Explanation: DOS bureaus, tenant agencies, and overseas posts are frequently consulted and provide input to the Long-Range Overseas Buildings Plan (LROBP) to ensure that all parties are committed to the goals and objectives of the program and that all are "on the same page" as to requirements and intended end results. The LROBP is constantly reviewed and, at the same time, planning/implementing data is collected, monitored, and updated quarterly in OBO's comprehensive Post Data Book. This broad intra- and inter-agency collaboration continues throughout project life cycles, in integrated design reviews (IDRs), and during all aspects of construction. Contractors become committed to projects by their contract terms and understanding of the goals reflected in the statements of work, as well as through participation in IDRs, value engineering studies, partnering sessions with OBO officials, and joint problem-solving efforts.

Evidence: q. Bureau/tenant agency input to the LROBP r. Integrated Design Review (IDR) process description gg. Cables that illustrate typical post involvement in planning for new construction projects tt. Statement of work (Kabul) kkk. OBO Post Data Book, 6/03" yyy. OBO Bugle (2204 No. 1) BPP Evidence: A/S Statement:

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 11%

Explanation: The Inspector General (OIG), overseas posts, and outsiders (other agencies, GAO, and Congress) play roles extensive enough to ensure comprehensive appraisals at every project phase. External agencies and others contribute to periodic revisions of the Long-Range Overseas Buildings Plan (LROBP) priorities and individual project plans. Value Engineering contractors, an Industry Advisory Board, and a Interagency Facilities Committee, as well as other outside groups, evaluate the effectiveness of the program and provide valuable information to assist the program in making improvements. Post personnel rate the buildings during OBO-conducted post-occupancy evaluations. GAO and the DOS OIG have commented favorably on this multi-phase collaboration and on the program's accomplishments. Further reviews by these auditing entities of aspects of the program are ongoing.

Evidence: q. Bureau/tenant agency input (sample) to the LROBP r. Integrated Design Review (IDR) Process description s. Value engineering study (sample on Sofia), VE performance chart, and VE policy decision memo t. Accreditation by DS on Kampala NOB (classified) u. Accreditation review procedures (MOU with DS) v. Post-occupancy evaluation sample (Ottawa) w. GAO 3/00 report: Overseas Emergency Security Program Progressing z. Project Performance Review (PPR) hhh. Certification letter to Congress on Sofia NEC BPP Evidence: A/S Statement:

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: YES Question Weight: 11%

Explanation: OBO emphasizes budget and performance integration, and this is especially the case for capital projects. A business case is provided for each project in the budget request to explain what is needed, what to be accomplished, how much each major project component will cost. Budget requests are supported by the more extensive project descriptions in the LROBP, which serves as a background information budget document, and frequently by full-fledged project briefings. Those approving OBO funding end up knowing exactly what the funds are intended to purchase and how they fit into the Department's annual and long-term goals. Furthermore, once OBO became a results-based organization, adherence to declared project schedules and budgets has become a central, ongoing concern. Thus, what was transparently proposed has proved to be the final nature and cost of the project.

Evidence: sss. OBO FY 2005 Budget Req. bbbb. OBO/RM/FM, FY06 Budget Submission Guidance, 3/2/04. BPP Evidence: A/S Statement:

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 11%

Explanation: OBO has undergone a thorough organizational restructuring and a sweeping, accountability-centered revamping of procedures and corporate culture to address previously identified planning deficiencies. OBO has made a commitment to planning to attain more effective operations. The LROBP, with other information, lays out a detailed, six-year road map for the Capital Security Construction Program (with current plan covering FY04-09). The plan receives input from OBO clients and stakeholders and ensures all parties are "on the same page" in planning for new capital security construction projects. Other improvements to the overall planning process include using regular weekly and monthly project reviews in which top management determines the ongoing effectiveness of OBO's planning efforts and make any needed adjustments, and development of comprehensive Project Analysis Packages that provide project scopes, schedules, budgets, concepts, and execution plans.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP) F. BBP Overview (incls. organizational strategies) r. Integrated Design Review Process y. OBO organization chart z. Monthly Project Performance Review (PPR) example hh. OBO Industry Day charts ii. "What's New in OBO" (pillars) kk. Program Assessment briefing charts (re prior deficiencies) mm. GAO 1/01 Rpt.: Embassy Construction Requires Better Long-Term Planning ddd. Industry Advisory Panel, brief description eee. Standard Embassy Design Description BPP Evidence: A/S Statement:

2.CA1 **Has the agency/program conducted a recent, meaningful, credible analysis of alternatives that includes trade-offs between cost, schedule, risk, and performance goals and used the results to guide the resulting activity?** Answer: YES Question Weight: 11%

Explanation: As part of its business case methodology, OBO analyses a full-range of alternatives to determine cost-benefit risk, tradeoffs among costs, schedules, performance, and other factors as a means for acquiring facilities. Decisions on whether to construct new facilities; to lease, build to lease, or purchase; to design/build or design/bid/build; or to seek other approaches are examples of analytical decisions made in considering the alternatives. A recent illustration was the decision to rehabilitate an existing São Paulo facility rather than construct a new one;which saved about $40 million, met standards, and provided a first-class facility ahead of the original "new construction" schedule. An OBO-DS risk management group assesses innovative, out-of-the-box design and construction methods to reduce cost and time while ensuring security standards are met.

Evidence: r. Integrated design review (IDR) process description s. Value engineering policy decision memo; VE performance chart; VE study (Sofia) z. Project Performance Review (PPR) 7/30/02, showing Nairobi & Dar es Salaam results cc. "The Business Case, " with Capital Security Project Program examples ee. Telephonic report of construction activities (Zagreb)

PART Performance Measurements

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES   Question Weight:14%

Explanation: Posts, DOS regional bureaus, the Bureau of Diplomatic Security, and tenant agencies participate in developing and prioritizing projects. Once a project begins, feedback from those entities continues'in design reviews and especially from posts during construction (directly to OBO or through regional bureaus). Within OBO, all participating offices and divisions closely monitor program performance and report to the Director/Chief Operating Officer during weekly project status meetings and monthly Project Performance Reviews (PPRs). During construction, on-site project directors also report detailed performance data on a monthly basis. All of these mechanisms are used to collect timely, credible, appropriate performance information that is used to manage and improve the program and individual projects. Performance indicators are also captured through the performance measure process.

Evidence: f. Bureau Performance Plan (BPP) overview g. DOS FY03 Performance Plan (OBO section) z. Program Performance Review (PPR) 7/30/02 example dd. Project Director's monthly report (Abu Dhabi example) aaaa. Weekly "Projects in Planning & Development" report & review BPP Evidence: A/S Statement:

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES   Question Weight:14%

Explanation: OBO project managers are held fully accountable for successful execution and must personally explain project performance to the OBO Director and senior management on a weekly and monthly basis, as noted in question 3.1. Stressing this accountability has been the Director's constant, forcefully emphasized, major focus, and this has included closely linking awards, promotions, and appraisals to relevant performance measures incorporated into each manager's and employee's personal performance standards. In the 2003 Guide for Developing NEC Staffing Projections, and as stressed in many forums, all tenant agency staffing estimates for a new facility are run through a multi-layer validation process, with any changes after OMB approval being severely limited and held within the total existing project budget. Contractors also are held accountable for performance, with satisfactory work affecting payments and satisfactory end results being a prerequisite for participation in future contract

Evidence: z. Project Performance Review (7/30/02), showing Nairobi, Tunis, and Dar es Salaam results) jj. "What We Want in Accountability" ll. "Performance Measures for a Results-Based Organization" rr. Evaluation factors for contract award (incl. evaluations for past performance) BPP Evidence: A/S Statement:

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 14%

Explanation: Solid evidence for timeliness are the relatively short spans (2-3 months) between Congressional approvals and obligations for project design, design/build, or construction contracts. Some security and project direction expenses are spread throughout the project life cycle, and other costs—such as communications equipment and furniture—come up at appropriate intervals after construction begins. OBO has obligated funds in regular, sequential, timely steps, with the existence of unobligated balances reflecting project phase, not the lack of well-timed obligations. OBO's exceptional achievement of finishing projects on schedule demonstrates that post-construction contract award obligations have been timely. Once appropriations are made, and subsequent project-by-project congressional approvals have been obtained, OBO has obligated funds expeditiously and has maintained detailed documentation that all funds were spent for the intended purposes.

Evidence: iii. Capital Security Construction Projects: Congressional Approval-to-Obligation Table z. Project Performance Reviews (PPRs) showing obligations status of capital projects cccc. OBO Financial Acct Recs BPP Evidence: A/S Statement:

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight: 14%

Explanation: OBO comprehensively utilizes incentives and procedures to improve value per dollar. The most cost-effective solution for providing facilities is chosen (see 2 CA1 above). Integrated Planning Reviews are conducted. Standard embassy designs (SEDs) are applied to save money by using proven models and reducing design requirements to post-specific adaptations. Integrated Design Reviews follow. Next, the contract award process predominantly uses fixed-price, design/build contracts that maximize competitive sourcing/cost comparisons, speed, and risk reduction. Intensive value engineering efforts gain the needed functionality at reduced cost, and other best practices, such the Project Definition Rating Index tool developed by the Construction Industry Institute, improve project planning. Finally, progress is carefully scrutinized at every step in regular, senior-management-level weekly and monthly meetings where efficiencies, effectiveness, and costs are scrutinized.

Evidence: s. Value Engineering documentation/study v. Post-occupancy evaluation rr. Evaluation factors for awarding contracts ss. Solicitations re using fixed-price, design-build for standard embassy design projects, using one contractor for multiple projects (4 greater efficiency/lower cost strategies) aaa. OBO Director/COO's memo on mandatory COR training eee. Standard Embassy Design description yyy. OBO Bugle (2004 No. 1) BPP Evidence: A/S Statement:

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: NA Question Weight: 0%

Explanation:

Evidence:

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight: 14%

Explanation: In recent annual audits of the Department of State's principal financial statements and controls, neither OBO nor its Capital Security Construction Program received any critical statements. OBO has instituted comprehensive procedures to ensure that payments are made properly for intended purposes and in accordance with prompt payment requirements. The Department's financial and OBO's voucher tracking systems have controls that prohibit duplicate payments. All Contracting Officer Representatives are required to take 40 hours of COR training, with periodic updating sessions, that emphasize the handling of design and construction contracts. Performance measures have been established for the timely payment of invoices and the elimination of interest payments. These are Performance reported on in monthly in Project Performance Reviews, and they are reflected in individual performance standards.

Evidence: zz. Department of State Accountability Reports for FY01 (Independent Auditor's Report section) aaa. OBO Director/COO's memo on mandatory COR training ccc. PPR 8/2/02, Vendor Payments Processing Analysis ddd. Industry Advisory Panel, brief description jjj. Vendor Payment Approval and Processing Procedures BPP Evidence: A/S Statement:

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 14%

Explanation: Since March 2001, as a new bureau, OBO has undergone a thorough restructuring and a sweeping, accountability-centered revamping of procedures to address previous management deficiencies identified in numerous reports. For example the 1/01 GAO criticism about the quality of long-range planning has been amply answered by the creation of a multi-division office to provide integrated, expert planning and development of OBO's Long-Range Overseas Buildings Plan that lays out a detailed map for the program. Other management improvements include making explicit, detailed business cases for major decisions; developing OBO-wide performance measures for programs, projects, and individuals; managing risk better by using the International Project Risk Assessment tool and requiring two independent cost estimates for all capital projects; and holding all program managers strictly accountable in weekly and monthly meetings chaired by OBO's Director.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP) f. BPP overview (incls. organizational strategies) r. Integrated Design Review Process y. OBO organization chart z. Monthly Project Performance Review (PPR) example hh. OBO Industry Day charts (efforts to gain ideas/partners) ii. "What's New in OBO" (pillars) kk. Program Assessment briefing slides (re: addressing prior deficiencies) mm. GAO 1/01 Report: Embassy Construction Requires Better Long-Term Planning BPP Evidence: A/S Statement:

PART Performance Measurements

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

3.CA1 **Is the program managed by maintaining clearly defined deliverables, capability/performance characteristics, and appropriate, credible cost and schedule goals?**

Answer: YES Question Weight: 14%

Explanation: OBO's extensive LROBP development process comprehensively and clearly defines capital project characteristics, with security aspects conforming to intelligence community standards and facility needs being determined with input by USG stakeholders. Performance requirements for deliverables (embassies, consulates, etc.) undergo additional adjustments at budget request time. Project statements of work describe the quality and performance expected from potential contractors, who share risks with performance-based, fixed-price agreements. Competitive procurements and negotiations further define requirements, including cost/schedule calculations and execution strategies based on Project Analysis Packages, Standard Embassy Designs, and OBO Architectural & Engineering Embassy Design Guidelines. At each stage'planning, design, and construction'projects are closely monitored in weekly and monthly review sessions for cost, schedule, and other key performance indicators.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP) qq. Project Analysis Package (Yaounde 7/02)--project justifications, details, and cost/schedule goals tt. Statement of Work (Kabul) abbreviated sample eee. Architectural & Engineering Design Guidelines for U.S. Diplomatic Mission Buildings qqq. Project Requirement Rev. Sessions (Examples: planning & design - Algiers, Jerusalem, Moscow) - 6/2/03 rrr. Project Requirements Review Sessions (Examples: construction - Bridgetown, Cape Town, São Paulo) - 6/2/03 BPP Evidence: A/S Statement:

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?**

Answer: YES Question Weight: 20%

Explanation: OBO has made tremendous progress in its goal to replace facilities at 187 of the most vulnerable posts. By completing 12 projects through mid FY 2004, with 25 others in construction, of which 23 are to be completed in FY04-06, OBO is progressing at an unprecedented rate. With another 65 capital security projects planned for award between FY04-FY08, OBO is on a record pace—one that should be accelerated by the FY05 implementation of a cost-sharing program developed by OBO and OMB. That approach should reduce the Capital Security Construction Program's funding cycle from 26 to 14 years. By comparison the "Inman Program," the Department's largest previous undertaking of this kind, resulted in 19 capital project completions in 11 years. OBO is set to complete over five times as many capital security construction projects in the same number of years.

Evidence: f. BPP Overview h. & i. & sss: FY03 & 04 & 05 budget requests p. Performance Measures for Capital Security Construction Program fff. Program Comparison: Inman Program vs. Current Program lll. Capital Cost-sharing and Right-sizing Senior Review Presentation" www. List of capital construction projects completed since FY2001 and in construction ttt. Chairman, Subcmte ltr on CJS dtd 3/4/04; committment to security and cost sharing BPP Evidence: A/S Statement: Goal Papers: Goal Paper I/P#1

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: YES Question Weight 20%

Explanation: As demonstrated previously in PART reviews, the program achieves or exceeds its annual goals. Since the latest PART review (FY 2003), OBO has continued to excel with its performance goals and targets and fully expects to do so again in FY 2004 (assuming Congressional funding approval to award contracts). Acquisition of NEC sites, award of capital construction contracts, maintenance of projects within authorized construction schedules and budgets, while maintaining an efficient ratio of management/construction costs, are on or above target. And the pace is increasing by means of a comprehensive, well organized, sustained effort to ensure the acquisition of necessary NEC sites and the award of 38 capital security projects over the Bureau Performance Plan period (FY04-05).

Evidence: f. Bureau Performance Plan (overview--strategies) r. Integrated design reviews s. Value engineering policy and study kk. Program assessment briefing pp. Cost Reductions in FY01 Capital Projects qq. Project Analysis Package bbb. House Rpt on CJS FY02 Appropriations Bill (re cost reductions) mmm: Spread sheet of Value Engineering projects and savings for FY01-03 BPP Evidence: A/S Statement: Goal Papers: Goal Paper I/P#1

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: YES Question Weight 20%

Explanation: OBO restructured its management and organizational elements and adopted best practices to gain greater efficiency and effectiveness in constructing capital projects. OBO attained bureau status and became a results-based organization that fully employs efficiencies that result from initiatives such as (1) adopting an automated design review/checking system ("Dr Checks") and integrated design review procedures to reduce design time and costs and increase project quality, (2) employing value engineering to gain greater construction efficiencies and cost effectiveness, (3) implementing new Standard Embassy Designs (SEDs) to reduce design times/costs and deliver better facilities with proven designs, and (4) making greater use of design/build contracts to cut construction time/costs and increase contractor accountability. Considerable emphasis has also been placed on reducing life-cycle costs while improving performance of new facilities.

Evidence: f. Bureau Performance Plan (overview--strategies) r. Integrated design reviews s. Value engineering policy and study kk. Program assessment briefing pp. Cost Reductions in FY01 Capital Projects qq. Project Analysis Package bbb. House Rpt on CJS FY02 Appropriations Bill (re cost reductions) mmm: Spread sheet of Value Engineering projects and savings for FY01-03 BPP Evidence: A/S Statement: Goal Papers: Goal Paper I/P#1

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation:

Evidence:

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: LARGE EXTENT   Question Weight: 20%

Explanation: The OIG and GAO reviewed this entire capital program and made highly favorable initial observations. State's IG commended OBO, in Congressional testimony, for its significant improvements in planning and management, new standard embassy design concept, and other areas. The GAO, in its 1/03 semi-annual report and in Congressional testimony, complimented OBO on the many positive steps to improve program management, noting favorably OBO's development of a long-range overseas buildings plan (LROBP) and its use of an Industry Advisory Panel to ensure "best practices" are in place. In the latter regard, in March 2003, GSA's Management Secretariat, through the Gallup Organization, cited the Industry Advisory Panel as one of the top examples of Federal Advisory committees demonstrating superior results. GAO went on to list the many accomplishments that OBO had made and the excellent results attained.

Evidence: t. DS Accreditation Review of Kampala (classified) u. Accreditation Review Procedures v. Post-occupancy evaluation (POE) w. GAO report on Overseas Emergency Security Program Progressing nnn. GAO testimony before Cmte on Foreign relations 3/20/03 ooo. GAO Rpt. to Congress dated 1/1/03 ppp. Testimony of Acting OIG of State on April 7, 2003, before the Govt Reform Subcmte on Nat'l Security, emerging Threats and International Relations Cmte BPP Evidence: A/S Statement:

4.CA1 **Were program goals achieved within budgeted costs and established schedules?**

Answer: YES   Question Weight: 20%

Explanation: As noted in OBO's response to question 4.2, all seven capital security construction projects completed in FY03 (Bogota (AID/NAS), Dar es Salaam, Dar es Salaam (AID), Istanbul, Nairobi, Tunis, and Zagreb) came in on budget and on time. The two completed thus far in FY04 (Abu Dhabi and São Paulo) similarly met these targets. Furthermore, the five projects still to be completed this fiscal year (Abidjan, Abuja, Cape Town, Sofia, and Yerevan) are currently on time and budget. Given the complicated nature of large construction projects, especially in varied and difficult overseas environments, to attain this excellent budgetary and timeliness record constitutes an outstanding achievement. As mentioned at a recent meeting of the Department's Industry Advisory Group, OBO is exceeding private sector performance standards.

Evidence: e. LROBP kk. Program Assessment briefing nn. OBO Capital Project Overview (5/02) oo. OBO Real Estate & Property Management Office (REPM) 8/02 Program Performance Review on new embassy compound (NEC) site acquisitions cccc. Comments at 4/22/04 IAP Mtg. of Derish Wolff (Chairman, Berger Group Holdings) representing the Amer. Council of Engineering Companies & the Bldg. Trades Group BPP Evidence: A/S Statement: Goal Papers: Goal Paper I/P#1

PART Performance Measurements

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

Measure: Ratio construction management costs to Long Range Overseas Buildings Plan construction project costs over $25M

Additional Information:

Measure Term: Annual

Year	Target	Actual
2002	Baseline	0.08
2003		0.075
2004	0.07	0.07
2005	0.065	
2006	0.065	
2007	0.065	

Measure:

Additional Information:

Measure Term: Long-term

Year	Target	Actual

Measure: Number of building sites acquired for capital security construction projects in accordance with the Long-Range Overseas Buildings Plan (LROBP)

Additional Information:

Measure Term: Annual

Year	Target	Actual
2002	Baseline	10
2003		5
2004	8	
2005	9	

2006	7	
2007	10	

Measure: Number of new capital security construction projects awarded

Additional Information:

Measure Term: Annual

Year	Target	Actual
2002	Baseline	12
2003		9
2004	13	
2005	12	
2006	13	
2007	16	

Measure: Percent of capital security construction projects completed within the schedule authorized in the construction contracts

Additional Information:

Measure Term: Annual

Year	Target	Actual
2002	Baseline	100% completed
2003		100% completed
2004	100% completed	100% completed
2005	100% completed	
2006	100% completed	

PART Performance Measurements

Program: Capital Security Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

2007	100% completed

Measure: Percent of capital security construction projects completed within the approved construction budget

Additional Information:

Measure Term: Annual

Year	Target	Actual
2002	Baseline	1
2003		1
2004	1	1
2005	1	
2006	1	
2007	1	

PART Performance Measurements

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: UNDP has adopted five core goals: reducing poverty, fostering democracy, combating HIV/AIDS, responding to crisis and post-conflict situations, and producing a sustainable environment. Thses goals are consistent with and supportive of U.S. strategic interests in democracy, prosperity, and security.

Evidence: a. UN decision establishing UNDP (A/6111); b. UN Resolutions, Mandates and Development Policy Documents; c. State Department FY 2004 Congressional Budget Justification for Foreign Operations. BPP Evidence: Goal Papers: Bureau of International Organizations Affairs (IO) Bureau Performance Plan (BPP) and US Mission to the United Nations (USUN) Mission Performance Plan (MPP), FY 2005

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: UNDP serves as the UN's primary development agency, to provide grant-based technical assistance in the areas of economic and social development, poverty eradication, democracy, human rights, global growth and stability, post-conflict needs and reconstruction to countries worldwide. For example, UNDP has cooperated with the U.S. in the reconstruction of Afganistan, Iraq, and Liberia.

Evidence: a. UN decision establishing UNDP (A/6111); b. Executive Board and ECOSOC documentation and decisions (A/RES/56/201); c. State Department FY 2004 Congressional Budget Justification for Foreign Operations. BPP Evidence: Goal Papers: IO BPP and USUN MPPs, FY 2005

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: UNDP role is unique in providing overall coordination of UN operational activities for development in the field. Where other special interest funds have been set up such as the UN Capital Development Fund and UNIFEM for women's issues, these have been under the UNDP purview. UNDP has increasingly provided leadership in harmonization and coordination of UN development activities and in focusing individual country programs on overall UN agreed upon development priorities, i.e., good governance, democratic principles, sustainable development, improved health and education services, partnership with the private sector, improving the attractiveness of developing countries to investors, poverty reduction, mainstreaming women.

Evidence: a. UN decision establishing UNDP (A/6111); b. Executive Board and ECOSOC documentation and decisions (A/RES/56/201). BPP Evidence: Goal Papers: IO BPP and USUN MPP, FY 2005

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: Per the PART guidance, no known evidence indicates that another approach or mechanism would be more efficient/effective. A variety of evaluations demonstrate improvements in efficiency over time.

Evidence: a. Triennial policy review of operational activities (UNGA Res A/RES/56/201); b. Budget, Programming and Aggregated Results Documents; c. Evaluation Documents. BPP Evidence: Goal Papers: IO BPP and USUN MPPs, FY 2005

PART Performance Measurements

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES   Question Weight: 20%

Explanation: UNDP reviews and revises its program funding framework every 5 years to ensure the system of distribution of available resources is in line with organizational priorities and reflects the needs of the developing countries. The formula provides for countries to graduate to a level whereby they might no longer receive financial support but would continue to be able to draw on technical advice, and finally to graduate from being a recipient country to a donor country. USG contributions are based on a consideration of the direction and effectiveness of UNDP's program. The US contribution to UNDP's core resources stipulates that no portion of the US contribution can be spent in certain specified countries. Other US contributions are made to specific projects, for which the we provide clear specifications for the expenditure of the funds, and closely monitor and evaluate the projects funded.

Evidence: Budget, Programming and Aggregated Results Documents

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: YES   Question Weight: 13%

Explanation: The State Department has in place a Performance Plan for its Bureau of International Organizations that contains a long-term goal and target for the United Nations Development Program. This goal is consistent with both long-term U.S. foreign policy objectrives and UNDP's mission. The outcomes being measured are not included on the measures tab, as there are too many to list, but they are known to the State Department and available for all to view at http://rbmsgat.undp.org.

Evidence: http://rbmsgat.undp.org BPP Evidence: Goal Papers: Goal papers developed by State and UNDP; IO BPP for UNDP

2.2 Does the program have ambitious targets and timeframes for its long-term measures?

Answer: YES   Question Weight: 13%

Explanation: The long-term goal, which is included in the measures section, sets a time-bound ambitious target.

Evidence: BPP Evidence: Goal Papers: Goal papers developed by State and UNDP; IO BPP for UNDP

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?

Answer: YES   Question Weight: 13%

Explanation: State and UNDP have developed a set of annual goals and targets to measure progress toward achieving the long-term goal. Additionally, beginning from 2000, UNDP produces a results-oriented annual report (ROAR) as well as end-of-cycle multi-year funding framework (MYFF) Report (last issued in 2003). The ROAR reporting mechanism allows for measuring and reporting on progress made towards achievement of UNDP multi-year outcomes. With the adoption of the second MYFF for 2004-2007, the reporting approach and methodology as well as management arrangements for taking corrective action have been further improved. The outcomes being measured are not included on the measures tab, as there are too many to list, but they are known to the State Department and available for all to view at http://rbmsgat.undp.org.

Evidence: a. UNDP 2000-2003 ROAR; b. UNDP proposals for reporting on the MYFF 2004-2007 (DP/2004/4) presented to the Executive Board in January 2004; c. http://rbmsgat.undp.org. BPP Evidence: Goal Papers: Goal papers developed by State and UNDP; IO BPP for UNDP

PART Performance Measurements

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

2.4 Does the program have baselines and ambitious targets for its annual measures?
Answer: YES Question Weight:13%

Explanation: The annual goals, which are included in the measures section, set ambitious targets and timeframes.

Evidence: BPP Evidence: Goal Papers: Goal papers developed by State and UNDP; IO BPP for UNDP

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?
Answer: YES Question Weight:13%

Explanation: The U.S., UNDP, and other member states are committed to the annual and long-term program goals. In fact, the majority of USG performance goals for this program are adopted from the UNDP performance plan. The State Department has selected those goals that are most important to the U.S. for inclusion in its performance plan. The U.S., as a major donor and member of the Executive Board, plays an active role in setting program and management policies for the organization. In addition to funding for UNDP's regular resources, the USG also makes earmarked contributions to UNDP for specific projects with specific criteria outlined in letters between the USG and UNDP. While UNDP reports on its programs and performance, State continues to work with UNDP to refine the reporting process to clearly demonstrate whether the goals are being met and ensure that these reports are available to the public.

Evidence: a. UNDP Annual Report; b. UNGA Millennium Declaration; c. UNDP MYFF 2004-2007; d. UN decision on the Triennial Policy Review of Operational Activities; e. Exchange of letters governing grant contributions; f. Project documents for specified contributions.

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?
Answer: YES Question Weight:13%

Explanation: The U.S. has an independent representative who sits on the UN Advisory Committee on Administration - Budgetary Questions (ACABQ) which does an annual review of the UNDP program and budget. UNDP Board, of which the U.S. is a member periodically requests independent audits, for example, an audit was undertaken in 2001 of UNDP. The UNDP Office of Audit and Performance Review (OAPR) conducts regularly scheduled audits of all UN funds and programs. The UNDP Evaluation Office conducts strategic, thematic, country evaluations as well as evaluations of the regional programs.

Evidence: a. Budget, Programming and Aggregated Results Documents; b. Assessment of Development Results (ADR) of selected countries; c. Thematic evaluations such as the PRSP, MDGR Assessment, Development Effectiveness Report, Administrator's Report on Evaluation to the Executive Board; d. Balanced Score Card.

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight: 13%

Explanation: UNDP's Resource program needs are presented in its global program budget and individual Country and Other (Regional, Global) Programme documents that are approved by the Executive Board and directly linked to the MYFF. State Department budget requests for UNDP are based partly on recent historical levels, partly on the calculation that U.S. funding levels leverage funds from other donors, but largely on the importance of UNDP's programs to U.S. interests. Although the link with performance is not explicit in any given year, lack of effectiveness over time has, and would again, lead to lower U.S. funding levels.

Evidence: a. State IO FY 05 budget request for UNDP; b. UNDP budget request documents; c. UNDP Multi-year Funding Framework 2004-07 (MYFF); d. 2004-2007 Programming Arrangements, individual Country Programmes, new TRAC 2 Framework paper, 2004-2005 Biennial Support Budget Strategy. BPP Evidence: Goal Papers: IO BPP

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: In 2004, UNDP entered the second four-year MYFF cycle that covers the 2004-2007 period. Results and lessons from the first MYFF (2000-2003) have been reviewed and considered in the development of the second MYFF (2004-2007). Additionally, the results-oriented annual report (ROAR) mechanism, in use since 2000, is continuously refined to exert a greater influence over the quality of programs. The State Department has worked hard to improve its performance planning for this program after last year's PART surfaced deficiencies in strategic planning. The IO Bureau Performance Plan now includes specific long-term and annual goals for UNDP.

Evidence: a. UNDP MYFF 2004-07; b. Report on the multi-year funding framework 2000-2003, and Supplementary Information (DP/2003/12 and DP/2003/CRP.14) presented to the Executive Board in June 2003. BPP Evidence: Goal Papers: Goal papers developed by State and UNDP; IO BPP

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 11%

Explanation: State has several channels to collect timely and credible information. State uses the Executive Board and bilateral forums to discuss, review, and manage UNDP policies, programs, and performance. The Executive Board, of which the U.S. is a member, makes decisions on the organization's strategic policy direction and resource requirements. Information that is collected through UNDP evaluations is presented to the Executive Board and is used by management to make decisions regarding the programs and activities and make adjustments as necessary. UNDP management is also responsible for presenting a response to any evaluations findings regarding how any recommendations are to be implemented. Two recent examples of country evaluations, India and Sudan, highlighted that UNDP was not working in the most strategic areas and needed to re-adjust. As a result, the Country Cooperation Frameworks for both countries presented to the Board in 2002 were re-aligned following the evaluations.

Evidence: a. Budget, Programming and Aggregated Results Documents; b. Evaluation Documents (Access to the Sudan and India evaluations as well as the Handbook for Monitoring and Evaluating Results are available at http://www.undp.org/eo/index.htm.)

Program: Contribution to the United Nations Development Programme (UNDP)

Agency: Department of State

Bureau: Bureau of International Organization Affairs

Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 11%

Explanation: State IO program managers' job elements require them to promote and achieve U.S. objectives for UNDP. Their performance ratings are based on how well they fullfiled their job elements. Federal Managers do not directly manage UNDP programs but instead work with UNDP and through the Executive Board to achieve U.S. objectives. In UNDP, the staff performance appraisal, the Results and Competency Assessment, uses the results-based approach and directly links performance of managers with the achievement of targets established in the MYFF and Strategic Results Framework.

Evidence: UNDP Guidelines for Results and Competency Assessment, job elements for program manager Note: The issue of inclusion of accountability into the performance standards of Federal managers is currently being reviewed for resolution at the Department-wide level.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 11%

Explanation: The State Department obligates the funds in its account in a timely manner, following which payment is made to UNDP. UNDP allocates resources to program countries on the basis of an Executive Board approved formula based on a number of factors including level of development, absorption capacity, per capita GNP, and population. A corporate scorecard provides indicators for review of each country office's expenditures and performance. Based on this, a system has been developed for releasing a second tranche of program funds. In UNDP, funds are obligated in a timely manner and for the intended purposes as defined in the MYFF and individual Country Programmes. Budget resources are released annually in line with expected resource availability. Expenditure targets are established in order to ensure that these resources are spent accordingly.

Evidence: a. UNDP efficiency indicator paper; b. UNDP Annual Country Programme Resource Planning Frameworks Exercise and annual Biennial Support Budget Plan; c. UNDP Budget, Programming and Aggregated Results Documents; d. UNDP efficiency indicator paper; e. UNDP Annual Country Programme Resource Planning Frameworks Exercise and annual Biennial Support Budget Plan; f. Treasury SF133 reports.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES Question Weight: 11%

Explanation: UNDP has procedures, including an internal audit function, to measure and achieve efficiencies and cost effectiveness of programs. UNDP follows well-established UN procedures for competitive sourcing. For obligations of $30,000 or less, a short list of providers is developed. A system of international bidding is required for obligations of $100,000 and up. Through the PART process, IO, working with UNDP, has established a new efficiency indicator with measurable targets.

Evidence: UNDP evaluative documents, especially DP/2002/12.

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 11%

Explanation: UNDP is the lead agency within the UN Development Group at headquarters and within the UN country team of organizations active in the field to ensure a collaborative and coordinated effort. The UN has established a Common Country Assessment (CCA) and UN Development Assistance Framework (UNDAF) for collaboration among different agencies' programs. In post-conflict reconstruction, UNDP coordinates closely with the donors and other international organizations in conducting needs assessments and donor conferences. In this regard, UNDP has played an important role in the reconstruction of Afghanistan, Liberia, Iraq and East Timor. UNDP leads coordination among UN development agencies. UNDAF is an critical instrument through which UN development agencies ensure their activities in a particular country are complementary, not duplicative, and lead to a common outcome. The State Department works with other USG agencies, mostly USAID, in overseeing the activities of UNDP to this end.

Evidence: a. UNDG WB review of recent post conflict needs assessments, chapter 4 and 5; b. Liberia case study, chapter 2 pages 7-10 and chapter 4 pages 11 -13; c. Armenia UNDAF, pg. 5 to 14; d. The 2003 Resident Coordinator Annual report, chapter 2 (pg. 15 to 20), chapter 3 (pg 21-26), chapter 4 (29-32), and annexes.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 11%

Explanation: A new approach to audits undertaken in 2001 has resulted in significant improvements in transparency of audit criteria for calculating overall performance. Subsequent documents indicate that UNDP is addressing audit recommendations. In addition, a Management Review and Oversight Committee has been established to provide the Administrator with an accountability framework. UNDP is currently reviewing its Financial Regulations and Rules and its Internal Control Framework for further strengthening in line with the implementation of its 2004 Enterprise Resource Planning (ERP) systems solution called Atlas.

Evidence: a. UNDP Evaluative Documents; b. Financial Regulations and Rules, Internal Control Framework; c. ROAR; d. Audit Report.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 11%

Explanation: UNDP has made great strides in reforming its system of management at headquarters and the field since the issuance of the UN Secretary General's 1997 Program for Reform. The audit reforms described above provide one example.

Evidence: a. UNDP Budget, Programming and Aggregated Results Documents; b. UNDP Evaluative Documents.

3.BF1 Does the program have oversight practices that provide sufficient knowledge of grantee activities? Answer: YES Question Weight: 11%

Explanation: The Executive Board regularly reviews UNDP activities, annual reports, evaluations, and audits. Field activities are reviewed more regularly in the field by bilateral missions coordinating USG activities with the multilateral program of the UN. Executive Board members participate in field visits.

Evidence: a. UNDP Budget, Programming and Aggregated Results Documents; b. UNDP Evaluative Documents.

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

3.BF2 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?**
Answer: YES Question Weight: 11%

Explanation: UNDP country programs, progress reports, and evaluations are available on the agency's website.

Evidence: UNDP country programs and evaluations, posted at www.undp.org

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?**
Answer: LARGE EXTENT Question Weight: 25%

Explanation: The Department and UNDP have established measurable annual goals that are used to evaluate progress toward the long-term goal. Available data show that UNDP is making adequate progress.

Evidence: BPP Evidence: Goal Papers: Goal papers developed by State and UNDP; IO BPP

4.2 **Does the program (including program partners) achieve its annual performance goals?**
Answer: LARGE EXTENT Question Weight: 25%

Explanation: Initial 2002 Baseline and 2003 Results data available for evaluation of annual goals reflect progress toward achievement of those goals. This is the first year that UNDP is formally included in the IO Bureau Performance Plan.

Evidence: BPP Evidence: Goal Papers: IO BPP

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?**
Answer: YES Question Weight: 25%

Explanation: UNDP aligned its strategies with intended development results, and utilizes a balanced scorecard and internal and external surveys to measure its performance. UNDP is currently implementing an ERP system, which integrates result- based management to become more efficient and cost effective in implementing programs. Examples: 1) The programme delivery per post increased by 20% for the biennium 2002-2003 compared to 2000-2001. 2) The implementation of the Enterprise Resource Planning (ERP) streamlined UNDP's banking operations worldwide, reducing transaction cost per vendor payment in the US from $12.50 to around 8 cents; 3) An efficiency indicator has recently been created. This indicator showed a decrease in the ratio of operational support costs over total costs, from 12.7% in 2002 to 12.0% in 2003 (estimate).

Evidence: MYFF 2004-2007. Post data: Biennial budget estimates 2004-2005 summary table 5a page 56 showing 5,133 posts for 2002-2003; Biennial budget estimates 2002-2003 summary table III page 61 showing 5,377 posts for 2000-200. Programme expenditure (delivery) data: Annual review of the financial situation 2003 (table 13.a); Annual review of the financial situation 2002 table 11a page 24; Annual review of the financial situation 2001 table 13a page 21. Bank of America Letter on ERP reduction in transaction cost. Efficiency indicator. Note on the calculation for program delivery per post: The 20 % increase is calculated by first calculating the total programme delivery (expenditure) for each biennia 2000-2001 and 2002-2003. The next step was dividing the total delivery by the number of posts for each biennium. The average delivery per post for 2002-2003 was then compared to the delivery per post for 2000-2001 showing a 20% increase between the two biennia.

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: UNDP has a unique role. At present, no other comparable program has been identified.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: YES Question Weight25%

Explanation: UNDP evaluative documents indicate that the program has improved its efficiency and effectiveness and has taken steps to address deficiencies. However, these documents also indicate that there is room for improvement, so progress needs to continue to be made by UNDP to improve it's management and performance.

Evidence: a. UNDP Evaluative Documents; b. Assessment of Development Results (ADR) reports; c. Strategic/thematic evaluations and Development Effectiveness reports.

PART Performance Measurements

Program: Contribution to the United Nations Development Programme (UNDP)
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

Measure: "Operational Support Costs" as a Percentage of Total Costs

Additional Information:

Measure Term: Annual

Year	Target	Actual
2002	Baseline	12.7%
2003		12%
2004	11.5%	
2005	11%	
2006	11%	
2007	11%	

Measure: Increased capacity for democratic governance in countries where UNDP is working. (Percentage of countries where annual targets were fully achieved out of the total number of countries (92) where UNDP provided support for democratic governance goal.)

Additional Information:

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	63%
2007	67%	

PART Performance Measurements

Program: Contribution to the United Nations Development Programme (UNDP)

Agency: Department of State

Bureau: Bureau of International Organization Affairs

Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

Measure: Percentage of countries where annual targets were fully achieved out of total number (58) of countries where UNDP provides support to public administration reform and anti-corruption.

Additional Information: Note: Since 2003 was the end-year of the multi-year funding framework (MYFF) cycle, this figure shows the percentage of countries that reported full achievement of planned outcomes during 2000-2003. Projections for targets for 2004-2007 are made on the basis of projected achievement of targets for each year using 2002 annual data as a baseline. They appear lower than the 2003 figure cited due to the multi-year character of the 2003 data as noted above.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	62%
2003		78%
2004	65%	
2005	65%	
2006	68%	
2007	68%	

Measure: Percentage of countries where annual targets were fully achieved out of the total number (36) of countries where UNDP provides support to conflict prevention and peace building.

Additional Information: Note: The 2002 figure reflects percentage of countries that reported positive progress towards multi-year outcomes in the reporting year. Since 2003 was the end-year of the multi-year funding framework (MYFF) cycle, this figure shows the percentage of countries reporting full achievement of outcomes during 2000-2003. Projections for targets for 2004-2007 are made on the basis of historical trends. The 2002 baseline was not used as the data stands out of the normal range as compared to trends observed over a longer period of time.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	81%
2003		63%
2004	65%	
2005	66%	
2006	67%	

2007	68%

Measure: Achievement of annual milestones toward private sector development

Additional Information: The milestones do not fit in the cells and are held off-line.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	N/A.
2003		
2004		
2005		
2006		
2007		

PART Performance Measurements

Program: Contributions For International Peacekeeping Activities
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	70%	84%	

1.1 Is the program purpose clear? Answer: YES Question Weight20%

Explanation: The UN Charter notes that one of the goals of the United Nations is "To maintain international peace and security, and to that end: to take effective collective measures for the prevention and removal of threats to the peace..." As a member state of the UN, the USG supports peacekeeping missions approved by the UN Security Council. The CIPA account funds the USG share of assessed expenses of specific UN peacekeeping missions voted in the UN Security Council.

Evidence: UNCharter references to peacekeeping. State Department Budget Documents (BIB, CPD), annual peacekeeping report to Congress, U.S. Participation in the UN Report. UN peacekeeping operations are also included in the USUN MPP for FY2005 and FY2006. State Department Authorization Acts. BPP Evidence: A/S Statement: Goal Papers: IO FY2006 BPP Assistant Secretary Statement and Regional Stability Goal Paper. An indicator on UN peacekeeping operations was also in the FY2005 IO BPP.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight20%

Explanation: There is still a need for the UN to create peacekeeping missions, as there is still a need for the international community to collectively take measures to support peace in many countries around the world. CIPA enables the USG to pursue multilateral approaches to our national security requirements for which UN peacekeeping is in the interests of the U.S.

Evidence: UN charter reference to responsibility of member states re: peacekeeping. UN Department of Peacekeeping Operations website [http://www.un.org/Depts/dpko/dpko/home.shtml]. State Department budget documents, annual report on peacekeeping to Congress, monthly briefings of Congressional staff on UN peacekeeping operations, Congressional notification on new or expanded peacekeeping operations, U.S. Participation in the UN Report. UN peacekeeping operations are also included in the USUN MPP for FY2005 and FY2006. BPP Evidence: A/S Statement: Goal Papers: FY2006 IO BPP Assistant Secretary Statement and Regional Stability goal paper. An indicator on UN peacekeeping operations was also in the FY2005 BPP.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight20%

Explanation: It is the only program of the federal government to pay bills sent to the USG for UN assessed peacekeeping missions. There are no state, local, or private programs to pay these UN peacekeeping assessments. The USG does support voluntary peacekeeping activities, but these are generally in different places than UN missions.

Evidence: President's budget will show that no other federal program exists to pay UN assessments for peacekeeping missions. Annual appropriations acts. BPP Evidence: A/S Statement: Goal Papers: FY2006 Assistant Secretary Statement and Regional Stability goal paper.

Program: Contributions For International Peacekeeping Activities
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	70%	84%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: Inherent in a multilateral framework is the fact that the end result is a compromise among member states and other relevant parties. The USG does not vote in favor of peacekeeping missions that are not believed to be the most effective and efficient way of maintaining peace. The mandate of the mission and its ability to most effectively operate, though, is a compromise among member states and other relevant parties. In addition, a complicating factor is that the funding availability must conform to the U.S. budget process which requires a long lead time that does not always allow for flexibility in meeting fast changing events in trouble spots. There is no evidence that there is a better way to approach multilateral peacekeeping activities.

Evidence: Annual Peacekeeping Report and Annual UN Voting Report. UN membership voting information also available, [http://unbisnet.un.org]. Because the U.S. can veto any peacekeeping mission, this guarantees that we cannot be assessed for a UN peacekeeping mission that the President's interagency process has judged ineffective, inefficient, or not consistent with U.S. national security interests. By virtue of the fact that we voted for a peacekeeping mission, we believe that the overall U.S. national interests are effectively and efficiently served.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight: 20%

Explanation: The CIPA program funds only pay for specific UN peacekeeping missions authorized by the UN Security Council where such authorizations are subject to U.S. approval or veto. Every mission has a different mandate (some are broader with development and humanitarian assistance included while some are narrower and focused on more traditional peacekeeping functions) based on the needs in the country. The USG only makes payments to specific UN accounts set up for the specific peacekeeping missions. The UN then makes funds available to missions to support the activities in the mandate.

Evidence: Performance Report for UN missions in Congo, Kosovo, and Sierra Leone. Bills and receipts of payment from the UN for specific missions.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 13%

Explanation: Long-Term Goal and associated measures and targets documented in the PART and BPP (specifically, closing peacekeeping missions that have achieved their objectives) reflect an outcome-based focus directly tied to the Department's strategic goal of Regional Stability. While there appears to only be one long-term goal on the Measures tab, this is actually a representation of the long-term goals for each peacekeeping mission.

Evidence: Annual Peacekeeping Report to Congress. BPP Evidence: A/S Statement: Goal Papers: FY2005 and 2006 BPPs. Regional Stability Goal Paper.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 13%

Explanation: Our target is to close out by 2007 nearly 40% of the peacekeeping missions extant in 2002 despite pressures to the contrary. This rate of closure will require close attention to mission activities and UN planning to sunset missions that have achieved their objectives.

Evidence: The Annual Peacekeeping Report and in the U.S. Participation in the UN Annual Report [http://www.state.gov/p/io/conrpt/]. SYG reports to the UNSC [http://www.un.org]. BPP Evidence: Goal Papers: FY 2006 BPP Regional Stability Goal Paper.

Program: Contributions For International Peacekeeping Activities
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	70%	84%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:13%

Explanation: Annual targets documented in the PART and BPP reflect an outcome-based focus directly tied to the purpose of the program and demonstrate progress toward achieving the program's long-term goals. The specific targets for each mission are held off-line, as they are sensitive.

Evidence: SYG reports [http://www.un.org/Docs/sc/sgrep04.html], independent reports by U.S. and other Member States, reports from U.S. Embassies in region of conflict. Refer to BPP goals. BPP Evidence: Goal Papers: FY 2006 BPP Regional Stability Goal Paper.

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight:13%

Explanation: Our annual targets are directly tied to major events in the life of each peacekeeping mission and directly reflect USG national security interests. Given the extreme difficulty of achieving peaceful resolution of problems, many of which have their roots in centuries of unresolved conflict, in many of the most extreme, difficult, and hostile environments, meeting targets of this magnitude is highly ambitious.

Evidence: SYG reports on peacekeeping operations [http://www.un.org/Docs/sc/sgrep04.html]. State Department Annual reports on Peacekeeping and UN Voting Practices [http://www.state.gov/p/io/conrpt]. BPP Evidence: Goal Papers: FY 2005 and 2006 BPP's Regional Stability Goal Papers.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:13%

Explanation: USG partners (NSC and OMB) participate in setting these goals and monitoring results by clearing often crosshatched instruction cables and congressional notifications on peacekeeping. The UN and other member states do not explicitly agree to USG goals. The UN's Secretary-General (SYG) produces reports as directed by the UN Security Council indicating progress and results related to the specific peacekeeping mission established by the UN Security Council. Staff at USUN review these documents and communicate USG views on performance in formal and informal sessions. Any peacekeeping mission's mandate will include the key elements that are reflective of the USG goals, which are communicated to, negotiated with and voted on by all members of the Security Council.

Evidence: UN Resolutions establishing/renewing UN peacekeeping mission mandates [http://www.un.org/Docs/sc/unsc_resolutions04.html]. Reports by the UN Secretary General on each peacekeeping mission [http://www.un.org/Docs/sc/]. Annual Report to Congress on Peacekeeping. Special analyses of selected peacekeeping missions prepared by the Department of State for the NSC-chaired interagency group.

Program: Contributions For International Peacekeeping Activities
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	70%	84%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 13%

Explanation: GAO conducts approximately one review per year that focuses on various aspects of UN peacekeeping. In 2003, a report was conducted on the UN's transition strategies for post-conflict nations, which directly relates to the USG goal of closing missions when their mandates have been accomplished. In addition to GAO reports, the UN Department of Peacekeeping Operations (DPKO) Best Practices Unit annually prepares numerous reports on UN peacekeeping missions that focus on the efficiency and effectiveness of peacekeeping missions and provide specific examples of results of previous actions taken and recommendations for new actions to be taken to improve effectiveness in the specific mission and other missions.

Evidence: GAO reports, [http://www.gao.gov]. GAO list of relevant reports provided to OMB. Briefings and feedback on Congressional fact-finding missions. Meeting notes of State Department and OMB officials attending briefings. UNDPKO Best Practices Unit reports. http://www.un.org/Depts/dpko/lessons/

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: YES Question Weight: 13%

Explanation: Resource needs are requested for each existing UN peacekeeping mission in budget requests. The President's national security inter-agency decision-making organization includes OMB and the State Department as key participants to ensure that the CIPA budget request is directly tied to the President's long-term and annual goals (which may include political as well as performance goals) and to the Department's long-term and annual goals. The funding requests are directly tied to decisions to establish new missions, continue them unchanged and to downsize or expand or closeout missions. The goals can only be accomplished if the UN effectively carries out the mandates of the UN Security Council (which requires funding to operationalize.)

Evidence: Congressional Budget Documents, Congressional Notifications for new or expanded UN peacekeeping missions. Briefings and testimony to Congress on Budget requests for CIPA. [http://www.state.gov/s/h/tst] BPP Evidence: A/S Statement: Goal Papers:

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?**

Answer: YES Question Weight: 13%

Explanation: When IO concludes that the evidence demonstrates that goals are not being met, IO works to have the State Department and interagency processes adjust strategies, planning measures, and seek appropriate changes to mission mandates and forces to meet those targets. In the case of East Timor, the U.S. delegation presented a speech in the UNSC highlighting problem areas and outlining the way ahead for the East Timor mission, which led to a change in this mission's mandate and size. Additionally, USUN staff made a presentation to the UNSC on U.S. peacekeeping policy in May 2004. IO also participates extensively in the Department's Performance Plans through the Mission, Bureau, and Department planning products. Through the PART process in FY 2006 longterm and annual goals were included that are based in part on previous Bureau Performance Plans.

Evidence: UN Security Council resolutions establishing revised mandates [http://www.un.org/Docs/sc]. NSC inter-agency agendas for PC and DC meetings. BPP Evidence: A/S Statement: Goal Papers: Past BPPs included targets on "indicative" peacekeeping operations.

PART Performance Measurements

Program: Contributions For International Peacekeeping Activities
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	70%	84%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES   Question Weight: 15%

Explanation: The State Department gets information from the UN, SYG, UN DPKO, UN peacekeeping missions, and nearby U.S. and other embassies on the effectiveness of the UN peacekeeping operation. Data is collected by active solicitation of views of U.S. embassies, State Department field trips, other governments agency reports, press reports and UN reports. This data collection is particularly intense preceeding Security Council votes to establish, renew or change UN peacekeeping mission mandates. Data is used to make assessments about progress or problems and to make determinations of changes required. U.S. positions are then often documented in instruction cables to USUN, Policy Coordination Committee (PCC) agendas and Interagency Summary of Conclusions, to be used in negotiating Security Council resolutions.

Evidence: Congressional briefing notes, memos to State Department and NSC management . Data is gathered from CIA, press reports, cables from U.S. missions, reports from the UN field briefings and other UN official reports [http://www.un.org/Docs/sc].

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES   Question Weight: 15%

Explanation: Within the Department of State's Bureau of International Organization (IO) Affairs and its missions, the primary federal managers responsible for achieving U.S. goals related to UN peacekeeping are the Assistant Secretary, the Principal Deputy Assistant Secretary, and officers in IO/Peacekeeping and Humanitarian Operations (PHO), IO/UN Political Affairs (UNP), and the U.S. Mission to the UN (USUN). The CIPA Account is primarily managed by IO/PHO and IO/Executive Office (EX). Those individuals have work requirements that take into account their CIPA-related responsibilities. At the UN the ACABQ (budget committee) conducts annual mission performance reviews. All member states review these performance reports and provide feedback. The UN has recently begun a results-based budgeting process where specific measures and indicators are created for all programs, including UN peacekeeping missions.

Evidence: UN Security Council resolutions, SYG reports, ACABQ and Fifth Committee reports [http://www.un.org/documents]. GAO review of the results based review process [http://www.gao.gov/highlights/d031071high.pdf - 1014.3KB - GAO Reports]. Job elements of program managers.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: NO   Question Weight: 15%

Explanation: UN missions are generally approved before there is a budget for the mission. The budget is based on the actual mandate and size of the mission approved by the Security Council. The Administration must inform Congress of the intent to vote for a new mission and also include how the mission will be funded out of existing resources, but this notification is generally based on preliminary estimates, which usually change. In addition, the UN peacekeeping fiscal year begins in July, while the President's Budget is submitted in February, so the estimates for ongoing missions included in the Budget may be very different from the actual budget for the mission. Finally, OMB suspects the CIPA account violated the Anti-Deficiency Act in FY2003, where obligations exceeded the amount apportioned. The Department continues to investigate this issue.

Evidence: UN prepares budget Performace Reports for each mission. [http://www.un.org/Depts/dhl/resguide/specpk.htm#spepk] Department of State financial records on obligations and fund disbursements.

Program: Contributions For International Peacekeeping Activities
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	70%	84%	

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES Question Weight:15%

Explanation: There are not cost comparisons, IT improvements or other incentives in place to achieve efficiencies. However, the bureau has procedures in place for reviewing all major aspects of a mission prior to its renewal, establishment or elimination through our vote in the UNSC. This involves contacting stakeholders (e.g., U.S. embassies in affected area), and the interagency process including the NSC and OMB. USUN is involved in negotiating peacekeeping budgets and asks performance-related questions during those negotiations. The UN has estabished a Best Practices Unit to improve efficiency and effectiveness of UN peacekeeping operations. In terms of in-house USG efforts to achieve efficiencies and cost effectivness, the Department has created an efficiency indicator which measures total assessed UN peacekeeping mission expenditures divided by the total UN peacekeeping mission staff.

Evidence: UN Best Practices Unit reports such as recent reports on lessons learned on Liberia peacekeeping start-up problems and lessons learned from earlier missons in Haiti [http://www.un.org/Depts/dpko/lessons]. Reporting cables to/from U.S. embassies.

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES Question Weight:10%

Explanation: IO's CIPA pays UN assessments while the Political-Military Bureau's (PM's) Voluntary Peacekeeping Operations (PKO) account funds voluntary peacekeeping activities'i.e. not assessed by UN. IO and PM program managers collaborate, suchas was the case recently with the transition of the multinational force in Haiti into a UN peacekeeping force. This ensured a process to address issues related to a gap in forces or mandate. Despite CIPA's uniqueness, it has some interaction with the PM-managed PKO account that often pays for U.S. civilian police participation (managed by the International Narcotics and Law Enforcement Affairs bureau) in UN missions. To avoid duplication of activities, the UN Administrative Coordinating Committee coordinates UN peacekeeping with other UN funds, programs, & agencies. At the mission level, the SYG's Special Rep. coordinates all UN agency activities. USUN works with like-minded member states to ensure coordinated review of UN financial management of peacekeeping missions in UN Fifth Committee reports.

Evidence: UN Fifth Committee reports [http://ceb.unsystem.org]. Reports of IO and PM participation in the interagency process chaired by NSC with OMB. PKO and CIPA reprogramming requests. Peacekeeping Resolutions of UNSC which assign coordinating responsibility to SRSG.

3.6 Does the program use strong financial management practices?

Answer: NO Question Weight:15%

Explanation: In terms of IO in-house mgmt. of CIPA, there is a three-step internal control system in place to ensure that all physical, material, and human resources are safeguarded against waste, fraud, unauth. use or misappropriation. Specifically, funds are allotted to the account by an IO analyst. The allotment doc. is then signed off by the office supervisor. The IO analyst obligates the funds based on budget estimates and current billings. The obligation docs. are also signed by the office supervisor. Payment request memos stating the payment amount are submitted by IO/PHO. The payment vouchers are prepared by the analyst, reviewed and initialed by the office supervisor, and forwarded to the Exec. Dir. for final signature authorizing payment. The office supervisor and Exec. Dir. verify the payment amounts against the incoming memo, budget estimates and billings before signing. However, in FY03 the acct. entered into obligations greater than the amount apportioned to the account.

Evidence: Notes of meetings. roster of attendees, handouts with financial information for Monthly meetings.

Program: Contributions For International Peacekeeping Activities
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	70%	84%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight:15%

Explanation: Working together with the NSC and other interested parties, we seek to have the inter agency process work smoothly and to address any U.S. or UN deficiencies in UN peacekeeping. When deficiencies are identified, the Program Manager works with Regional Bureaus, NSC, and DOD to develop remedies and corrective action plans. For example, IO, AF, USAID and OMB traveled together to the UN to express concerns and consult on failings of the Disarmament, Demobilization and Reintegration program in Liberia. IO and House Appropriations Staff traveled to Liberia to study the problems first hand and express concerns. In response to the peacekeeping challenges of the mid-1990s, the SYG convened a group of experts to assess UN shortcomings and make recommendations for change. Their report, known as the Brahimi Report, came out in August 2000 and offered recommendations to improve operations. The UN, with member state assistance, has made improvements based on these recommendations.

Evidence: National Security Council procedures. PCC summaries of conclusions. Congressional Notifications. Reporting cables to/from relevant US Embassy evaluating the U.N. peacekeeping mission. Report of the Panel on UN Peace Operations (Brahimi Report)

3.BF1 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: NA Question Weight: 0%

Explanation:

Evidence:

3.BF2 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: NA Question Weight: 0%

Explanation:

Evidence:

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: YES Question Weight25%

Explanation: Three UN peacekeeping misssions extant in 2002 have been shut down. UNSC resolutions for UNAMSIL and UNMISET indicate specific plans for completing operations consistent with the U.S. long term goal.

Evidence: UNSC resolutions[http://www.un.org/Docs/sc]. Reports of U.S. Participation in the UN, UN Voting Report, Peacekeeping Annual Report [http://www.state.gov/p/io/conrpt]. BPP Evidence: A/S Statement: Goal Papers: Regional Stability Goal paper

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: YES Question Weight25%

Explanation: Static and Dynamic UN peacekeeping mission operations meet U.S. goals. Although this is a new PART, IO has had and been measuring progress toward established peacekeeping goals, indicators, and targets in the State Department's BPP in previous years.

Evidence: SYG reports on peackeeping missions [http://www.un.org/Docs/sc/sgrep04.html]. U.S. Embassies reports and USG analyses. BPP Evidence: Goal Papers: Regional Stability Goal Paper

Program: Contributions For International Peacekeeping Activities
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	70%	84%	

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight25%

Explanation: The US supports UN efforts to improve the efficiency of UN peacekeeping missions. An example is found in the Brahimi recommendation to reduce time in creating a peacekeeping mission after a UN Security Council decision. This led the UN to create the Strategic Deployment Stock (SDS) in Brindisi, Italy. The SDS was created, operational, and is cited on Pg. 12 of the "Lessons Learned Study on the Start-up Phase of the United Nations Mission in Liberia" (UNMIL) report of Apr. 2004. It was an effective facility in establishing UNMIL's supplies. If missions are in bordering countries, DPKO makes use of the existing mission to improve cost effectiveness, i.e. Burundi and the Democratic Republic of the Congo. Program managers require "right sizing" of mission mandates and operations at each mandate review and renewal. The USG attempts to lessen the costs of missions that are not meeting their objectives, but can fail due to political considerations. Also, DoS has created an efficiency measure for this program.

Evidence: UN Security Resolutions. UN SYG reports. USG analysis. Stimson Center's publication - The Brahimi Report and the Future of United Nations Peace Operations, cables to posts. UNDPKO Best Practices Unit reports. http://www.un.org/Depts/dpko/lessons/ BPP Evidence: Goal Papers: Regional Stability Goal Paper

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: There are no other programs contributing to the funding of assessed UN multilateral peacekeeping activities.

Evidence: The UN charter provides for UN peacekeeping and envisions a complementary role for regional organizations [http://www.un.org/Docs/sc/sgrep04.html].

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: LARGE EXTENT Question Weight25%

Explanation: GAO conducts periodic reviews of UN peacekeeping missions. In a 2003 report regarding UN transition strategies for post-conflict countries, the GAO report indicated that the UN has created a strategy to address past peacekeeping failures, but is still working on creating an effective results-based system for peacekeeping missions. The Stimson Center conducted an independent review of United Nations peacekeeping management and the implementation of the Brahimi Report recommendations. The report concludes that "[I]n general, the United Nations has demonstrated clear progress in implementing a majority of reforms recommended by the Panel on UN Peace Operations." An example of how Brahimi panel reforms led to UN peacekeeping missions being more effective in achieving results is the SDS'created to improve the launching of new peacekeeping missions. SDS effectiveness is cited in independent UN reports as the reason the UNMIL/UN owned start-up equipment was adequate.

Evidence: Reports from GAO, CODELs and STAFFDELs [http://www.gao.gov]. Stimson Center's publication - The Brahimi Report and the Future of United Nations Peace Operations. BPP Evidence: N/A

PART Performance Measurements

Program: Contributions For International Peacekeeping Activities
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	70%	84%	

Measure: Total assessed UN peacekeeping mission expenditures divided by the total UN peacekeeping mission staff. (the ratio of total mission costs divided by number of staff)

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	Baseline	$43,400
2004	$42,400	
2005	$41,400	
2006	$40,400	
2007	$39,400	

Measure: Five UN peacekeeping operations existing in FY 02 (baseline) will be closed by FY 07.

Additional Information:

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	13
2007	8	

PART Performance Measurements

Program: Contributions For International Peacekeeping Activities
Agency: Department of State
Bureau: Bureau of International Organization Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	70%	84%	

Measure: Percentage of static missions that meet targets (list of targets and missions held offline).

Additional Information: Comparison of these missions' accomplishments/results, as evidenced by UN Secretary General reports and USG evaluation of mission performance, to annual USG PART targets.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	N/A.
2003		1
2004	0.6	
2005	0.6	
2006	0.6	
2007	0.6	

Measure: Percentage of dynamic missions that meet targets (list of targets and missions held offline).

Additional Information: Comparison of these missions' accomplishments/results, as evidenced by UN Secretary General reports and USG evaluation of mission performance, to annual USG PART targets.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	N/A
2003		75%
2004	50%	
2005	50%	
2006	50%	
2007	50%	

PART Performance Measurements

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of HRDF is to help fulfill the State Department's mandate to monitor and promote human rights and democracy worldwide. HRDF's purpose is to be a flexible, responsive mechanism that supports innovative programs to improve democracy, human rights and civil society in countries/regions of strategic significance to the U.S., consistent with the priorities of the Economic Support Fund account which funds HRDF. HRDF supports innovative, cutting-edge projects that promote democracy and human rights in countries of strategic significance to the United States.

Evidence: a. CBJ; b. Consolidated Appropriations Act of 2004 P.L. 109-199; c. DRL website

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: A 2003 annual assessment of political freedom and civil liberties in 192 countries found that there were 55 "partly free" countries and 48 "not free" countries. Another annual assessment reported that in 2003 extrajudicial killings occurred in 42 countries and disappearances occurred in 33 countries. The U.S. National Security Strategy identifies the problem of human rights abuses and democratic freedom as an important challenge for U.S. foreign policy worldwide.

Evidence: a. Sept 2002 National Security Strategy; b. Freedom House Freedom in the World 2003 Index; c. Country ratings in the Dept. Human Rights Reports; d. Amnesty International 2003 report

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: HRDF is designed to fill a unique niche by supporting cutting-edge, innovative and timely democracy and human rights projects through a State Dept./DRL-managed grant program. HRDF projects are often pilot or "seed" projects which strive for immediate impact but have the potential for continued funding by other donors once the project has taken root. HRDF seeks to fund higher risk projects which other USG agencies cannot or will not fund. DRL's proposal submission criteria and thorough proposal review process ensure that HRDF projects do not duplicate other efforts.

Evidence: a. Cleared FY 2004 Muslim World RFP and China Call for Statements of Interest; b. SOP Tab 3 - Proposal Review Process; c. E-mail invitations and guidance to proposal review panelists

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: HRDF is free of major design flaws. HRDF is designed for use in priority countries. Individual HRDF projects that affect change at local and regional levels are designed to serve as catalysts for improved human rights and democracy conditions at a national level; a cornerstone of US foreign policy. Congressional earmarks, the USG strategy for the global war on terror and a Bureau committment to support innovative "seed" projects also influence HRDF's design. DRL coordinates closely with AID and regional bureaus to ensure a harmonized approach to USG human rights and democracy programming.

Evidence: a. DRL cleared Regional Strategies; b. A/S Craner speech; c. Ex. of State Dept. annual Human Rights Report; c. Quarterly project reviews (GOR); d. Ex. of grantee quarterly progress report; e. OIG report BPP Evidence: Goal Papers: DE .01 Democratic Systems and Practices

PART Performance Measurements

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?**

Answer: YES   Question Weight: 20%

Explanation: DRL targets HRDF for use on projects that support DRL's regional and country strategies and help DRL to achieve its annual and long-term performance goals. To maximize resources and prevent programming duplication, DRL coordinates closely with relevant regional bureaus and USAID during the vetting of project proposals. DRL also asks grant applicants to research existing activities before submitting project proposals as additional preventative measure to avoid duplication.

Evidence: a. CBJ; b. Country and Regional Strategies; c. Ex. of successful HRDF projects; d. Ex. of Meeting Minutes and e-mails showing DRL coordination with regional bureaus and USAID on programming; e. Ex. of HRDF RFP BPP Evidence: Goal Papers: DE .01 Democratic Systems and Practices

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES   Question Weight: 13%

Explanation: HRDF is one of several important tools employed by DRL to achieve the Bureau's overall strategic goals of advancing democracy and respect for human rights in countries/regions of strategic significance to the U.S. DRL measures long-term program performance by examining the percentage of countries with past or present HRDF projects that have made gains at the national level in strengthening democracy and democratic institutions, increasing repect for human rights and improving freedom of the press. DRL anticipates that individual HRDF projects targeted at the local or regional level will achieve results that will be visible on a national scale within 5 years. DRL measures these results and shifts in democracy, democratic instutions, respect for human rights and freedom of the press at the national level using a number of aggregate indicators listed in Evidence 2.1.

Evidence: a. Freedom House "Freedom in the World" Survey; b. Freedom House Countries at the Crossroads Survey; c. Freedom House Freedom in the Press Survey; d. HRDF grantee project evaluations and quarterly progress reports; e. HRDF semi-annual evaluations; f.World Bank Institute Good Governance Indicators; g. Department annual Human Rights Reports; h.Department/DRL "Supporting Human Rights and Democracy: The U.S. Record 2003-2004; i. Reporters without Borders annual report; j. Amnesty International annual country reports; k. Human Rights Watch annual country reports. g. Polling data BPP Evidence: Goal Papers: DE .01 Democratic Systems and Practices

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?**

Answer: YES   Question Weight: 13%

Explanation: DRL has developed solid baseline measures and ambitious targets and timeframes by examining historical data (1998-2003) for several of the indices listed in Evidence 2.1, including the Freedom House Freedom in the World Survey. DRL's ambitious targets and timeframes also take into account DRL's overall regional and country strategies and the level of HRDF funding in a particular country or region.

Evidence: a. Indices listed as evidence in 2.1; b. Measures section of PART; c. Regional breakdown of HRDF funding; d. DRL country and regional strategies.

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:13%

Explanation: HRDF has developed four annual performance measures (see Measures tab). DRL's annual measures assess outcomes of grant programs (grants focus is on local/regional issues), while DRL's long-term measures assess outcomes based on improvement in human rights and democracy at the national level. Before signing a grant, DRL and the grantee draft project objectives to guide the grant and measure progress. DRL Grants Officer Representatives (GORs) report quarterly on a project's progress towards achieving the grant objectives and assign a progress rating (significantly above target, slightly above target, on target, slightly below target, significantly below target). Additionally, GORs track if the projects receive alternative donor support. DRL assumes that HRDF projects that achieve their grant objectives at a local/regional level and receive alternative donor support will influence democracy and human rights at the national level in the future.

Evidence: a. HRDF semi-annual monitoring and evaluation report; b. HRDF grantee progress reports and program evaluations; c.statement of work and short-term and long-term objectives included in each grant; e. Independent evaluations of individual HRDF projects and regional HRDF programs; f. GOR review mtgs and ratings.

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: NO Question Weight:13%

Explanation: Baselines and targets for HRDF's annual performance measures - with the exception of their annual efficiency measure - are currently under development, and are expected to be completed by the end of 2004.

Evidence: a. HRDF grantee progress reports and program evaluations; b. GOR reviews; c. List of HRDF projects that have received alternative donor support; d. Measures section of the PART c. Planned independent evaluations BPP Evidence: Goal Papers: DE .01 Democratic Systems and Practices

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:13%

Explanation: DRL solicitations for HRDF projects include specfic language stating that grant proposals must include detailed information on project goals and objectives and monitoring and evaluation plans. Grantees implementing HRDF projects are asked to identify and agree to short-term and long-term project goals and objectives that are included in the final grant agreement. Grantees are asked to monitor, report on and evaluate their projects using the agreed upon objectives. DRL provides a template in each grant agreement which instructs grantees on how to monitor, report on and evaluate their projects to assess progress towards the agreed upon goals and objectives. In 2004, DRL held a roundtable for all grantees working on HRDF China projects in order to better coordinate program objectives and share lessons learned. DRL plans to conduct a similar roundtable in 2004 for all HRDF grantees.

Evidence: a. Example of HRDF grant; b. Example of HRDF grants memo; c. Example of HRDF RFP; d.Grantee progress and evaluation reports; e. HRDF project proposals; f. DRL China roundtable in January 2004.

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight: 13%

Explanation: One independent evaluation has been conducted on HRDF to date, a Department of State OIG inspection in June, 2003. DRL is scheduled to begin regular independent evaluations of its regional programs, beginning with its HRDF-funded Central Asia and China projects in 2004.

Evidence: a. Allocation memos and CNs for World Bank Institute and Freedom House; b. Countries at the Crossroads publication; c. Ex. of DRL RFP and grant agreement; d. OIG report; e. Spangenberg independent evaluation and DRL guidance; f. Martus Philippines independent evaluation; g. Central Asia independent evaluator terms of reference.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight: 13%

Explanation: The use of annual and long-term performance measures is still relatively new, and therefore as of the last budget cycle, FY 2005, the request was not linked to progress towards performance goals. DRL develops its annual HRDF budget request by focusing on human rights and democracy problems, several priority regions including China and countries with significant Muslim populations, anticipated congressional earmarks, and requirements for follow-up funding for specific projects. There is not sufficient evidence that DRL ties the specifics of its HRDF budget requests to analyses of concrete progress towards meeting long-term goals.

Evidence: a. CBJ; b. FY05 Budget calculus; c. Ex. of cleared DRL regional and country strategies from Support Human Rights and Democracy, the U.S. record 2003-2004; d. Matrices of proposals in response to the March 2004 Muslim World RFP and the 2004 China Call for Statements of Interest.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: Since 2001, DRL has developed new criteria for a more targeted and strategic approach to using HRDF funds, rather than topping off other USG projects or duplicating the projects of other State Bureaus and federal agencies. In 2003, DRL began to focus greater attention on assessing program impact and evaluating HRDF programs against their stated goals, their contribution to the improvement of human rights and democracy at the local, regional or national level and their potential for sustainability.

Evidence: a. Congressional Budget Justification; b. SOPs and HRDF proposal vetting procedures; c. Example of HRDF RFP; d. Example of HRDF grant and grants memo; e. Grantee progress and evaluation reports

PART Performance Measurements

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES Question Weight: 10%

Explanation: If necessary projects are refocused as per the recommendations of the Grants Officer Representatives to ensure maximum impact and results. For example, DRL refocused one HRDF project in the Middle East and terminated another unsuccessful project in the Middle East based on DRL and other stakeholder input and assessment of each program's progress. Extensive evidence of review of project reporting merits a Yes answer, despite the fact that program-wide performance measures and baselines are still under development.

Evidence: a. HRDF grantee progress reports; b. GOR quarterly meetings; c. Site visit evaluation form; d. Semi-annual evaluations; e. IFES terminated grant.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 10%

Explanation: The A/S is accountable to the Senior Department Management and Congress for the success of HRDF. Program partners are required to submit quarterly financial and quarterly, semi-annual or annual progress reports which measure progress against the project short-term and long-term goals and objectives. If a project is found to have minimal impact, it is discontinued. Grantee requests for drawdown of funds are reviewed by the Programming Unit, EX and the GOR before they are approved. DRL will withold funds from grantees who are delinquent on progress and financial reports.

Evidence: a. BPP Senior Review; b. Program and financial progress reports; c. Payment Management System (PMS) approval system in SOPs; d. Site visits by DRL staff to assess performance

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 10%

Explanation: Since DRL began tracking the amount of time it takes to obligate funds, DRL has reduced its processing and obligating of grants by 50%. 100% of HRDF has been programmed every year since 2001

Evidence: a. HRDF tracking spreadsheet b. Obligations report maintained by OES-DRL/EX

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES Question Weight: 10%

Explanation: DRL has focused successfully on improving the efficiency of the RFP and grant approval processes in DRL. Although the bureau has already cut the grant processing time in half, they continue to monitor individual projects throughout the programming proccess in order to resolve bottlenecks and develop further improvements. For all new proposals, a vetting process takes place in which budgets and activities are thoroughly reviewed by DRL, the relevant regional bureaus and AID to ensure maxiumum cost-effectiveness.

Evidence: a. Budget review guidelines; b. Proposal review process, specifically HRDF and panel review committee meeting minutes; c. Tracking spreadsheets

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: YES Question Weight: 10%

Explanation: Relevant Bureaus and agencies provide input on project selection during DRL's rigorous vetting process of HRDF grant proposals. Country desk officers and USAID staff attend each panel review for HRDF project proposals. Embassy and USAID Mission comments are often conveyed by the regional bureaus or USAID Washington panel attendees; however, Embassy and USAID Mission staff also provide feedback via phone and e-mail. DRL also holds regular meetings with its regional bureau and USAID counterparts in order to improve general communication and coordination.

Evidence: a. Ex. of Allocation Memos with regional bureau and USAID clearance; b. Ex. of DRL coordination e-mails with USAID for proposal vetting; c. Ex. of HRDF panel review Meeting Minutes; d. Ex. of Embassy, USAID Washington and USAID Mission comments e. Ex. of EUR/ACE coordination meeting minutes

3.6 **Does the program use strong financial management practices?**

Answer: YES Question Weight: 10%

Explanation: DRL has standard reviews of proposals and project budgets according to A-122 cost principles. Other standardized procedures include a system of checks and balances in place for processing timely payments to grantees, the PMS approval system; monthly cross-checks with EX financial tracking records and the review of grantee quarterly financial reports. Beginning in October 2002, DRL implemented the electronic Payment Management System (PMS) which is a widely-used grants management/financial management tool in the federal government.

Evidence: a.SOPs; b. 24 hour drawdown policy; c. Tracking spreadsheets; d. DRL and EX monthly spreadsheet reconciliation; e. Meetings between DRL, EX and RM offices f.PMS g. Federal Audit Clearinghouse h. Suspension and Disbarment website

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 10%

Explanation: DRL has revamped the programming process for HRDF funds to formalize the review and approval of projects, the tracking of projects and funds, and the monitoring and reporting on projects. To address workload capacity, a larger number of policy officers are now involved in developing and monitoring projects, a third programming specialist was hired, and a fourth programming specialist is slated to be hired in the summer 2004. The HRDF Programming Unit received specialized grants training in 2002 - 2003. In 2004, the HRDF Programming Unit provided formal training to Grants Officer Representatives on how to monitor grants. DRL staff continually assesses the programming process for deficiencies and implements corrective procedures. In 2004, DRL conducted a China grantee roundtable during which we held a session on grants management. DRL will hold a similar roundtable for Central Asia grantees in 2004.

Evidence: a.SOPs; b. Tracking spreadsheets; c. GOR handbook; d. GOR grants monitoring training; e. GOR quarterly review meetings; f. Certified grants management specialists; g. Announcement for new Programming specialist; h. China and planned Central Asia grantee roundtables

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?** Answer: YES Question Weight: 10%

Explanation: 71 of 79 HRDF non-Congressionally mandated grants in 2003 were awarded through open-source competitions published in the Federal Register and on the fedgrants.gov and DRL websites. Proposals are vetted through a rigorous two-step review process that includes DRL, USAID and the State Department regional bureaus (See evidence). During the review process proposals are rated on five different criteria: 1) quality of the program idea; 2) program planning and ability to achieve objectives; 3) program multiplier effect and potential impact; 4) capacity of NGO; and 5) cost-effectiveness. 8 awards were made in 2003 based on unsolicited proposals, but these proposals were voted on by the same HRDF Committee that reviewed the open-source proposals. 30% of total awards were made to grantees that had never before received HRDF funding.

Evidence: a. SOP - TAB 3 Proposal Review Process; b. Exs. of guidance to AID and regional bureaus on proposal review process; c Ex. of HRDF RFPs; d. HRDF review panel meeting minutes; e. Ex. of Embassy, AID and regional bureau comments on proposals

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: NO Question Weight: 10%

Explanation: Grantees are required to submit regular financial and project progress reports; verification of actual expenditures through audits is not evidenced, and grant officer monitoring of grantees is limited by their base in Washington.

Evidence: a. Ex. of HRDF quarterly progress reports; b. Ex. of HRDF monitoring trip reports; Ex. of HRDF GOR reviews

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: NO Question Weight: 10%

Explanation: DRL publishes Supporting Human Rights: The U.S Record annually to provide general information to the public on progress and notable outcomes of USG (including DRL) human rights and democracy programs. Performance data is not made available to the public.

Evidence: a. Supporting Human Rights: The US Record 2003-2004; b. Bureau website; c. OIG inspection; d. GAO inspection of DRL China programs

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?

Answer: SMALL EXTENT — Question Weight: 20%

Explanation: DRL can demonstrate progress to a small extent towards achieving one of its three long-term targets. As reported by Freedom House Freedom in the World scores, 7 of 24 HRDF countries showed some improvement between 2002 and 2003 in civil liberties, and 3 of 24 during that same time frame in political rights.

Evidence: a. Freedom House Freedom in the World statistical analysis; b. List of HRDF projects which have received other donor support or become sustainable; c. Supporting Human Rights and Democracy, the U.S. Record 2003-2004; d. Statement by Turkish Foreign Minister Gul; Kyrgyz Printing press article and other examples

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: NO — Question Weight: 20%

Explanation: DRL has just begun to implement its annual performance goals, and the targets are still under development. Although the program requires extensive project-specific goals and reporting from its grantees, the managers do not yet aggregate and anaylze this data program or country-wide.

Evidence: a. List of HRDF projects which have received other donor support (includes: Trocaire, ABA/CEELI, NDI Muslim Leader Forum, etc.) b. Kyrgyz printing press is the only independent printing press in the country and prints 11 independent newspapers; c. ALVA Rwanda elections success, China village elections success.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: YES — Question Weight: 20%

Explanation: HRDF has demonstrated improved efficiencies in achieving program results. DRL has reduced its cost per project managed each year since FY 2002. DRL has reduced its grants processing time by more than 50% since FY2001.

Evidence: a. DRL Efficiency Measure #1 - cost per project managed; b. DRL Efficiency Measure #2 - rate of time to process grants.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: LARGE EXTENT — Question Weight: 20%

Explanation: USAID's Democracy and Governance programs, USAID's Office of Transition Initiatives programs, NED, the Open Society Institute, the Asia Foundation and other private foundations are all relevant comparisons. The evidence on performance is not extensive for most of these programs, including DRL. However, DRL can demonstrate that other donors, including USAID, have provided additional funding to support successful DRL seed projects, thus demonstrating that other donors view these DRL HRDF projects favorably.

Evidence: a. USAID website printouts which mention DRL programs; b. Supporting Human Rights and Democracy, the U.S. record 2003-2004; c. NED website; d. DRL list of HRDF projects which have received alternative donor support

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: SMALL EXTENT

Question Weight: 20%

Explanation: There has been a single independent evaluation through the State OIG. This report was positive. DRL has taken steps to remedy the lack of independent evaluations, and two specific RFPs have been issued to evaluate HRDF activities in Central Asia and in China.

Evidence: a. Example of DRL Request for Proposals (RFP) with evaluation criteria; b. Freedom House Countries at the Crossroads and the World Bank Institute indicators; c. OIG inspection; d. terms of reference for Central Asia and China independent evaluations.

PART Performance Measurements

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

Measure: Operating costs divided by the number of projects managed

Additional Information:

Measure Term: Annual

Year	Target	Actual
2002	Baseline	3346
2003		3136
2004	2250	
2005	2569	
2006	2313	
2007	2182	

Measure: Percentage of HRDF-funded countries which show a positive change (decrease on the scale) on their Freedom House Freedom in the World (FITHW) score or a positive change (increase on the scale) on their Freedom House Countries at the Crossroads (CATC) score.

Additional Information:

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	0
2003		
2007	65%	
2008	70%	
2009	75%	
2010	80%	

PART Performance Measurements

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

Measure: Percentage of HRDF-funded countries which demonstrate decrease in human rights abuses such as extrajudicial killings, disappearances, torture, or detention without trial as evidenced by Amnesty International statistics, State Department annual Human Rights Reports, and other indicators.

Additional Information:

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	0
2003		
2007	60%	
2008	65%	
2009	70%	
2010	75%	

Measure: Percentage of countries with HRDF press freedom projects which show improvement in the Freedom House Freedom of the Press scores

Additional Information: In 2002, DRL funded press freedom projects in all five Central Asia republics. Kazakhstan scored a 73 Not Free; Kyrgyzstan scored a 71 Not Free; Tajikistan scored a 76 Not Free; Turkmesnistan scored a 92 Not Free; and Uzbekistan scored a 86 Not Free. In 2003, Kazakstan's score worsened by 1 point (74); Kyrgyzstan's score remained the same (71); Tajikistan's score improved by 3 points (73); Turkmenistan's score worsened by 3 points (95); and Uzbekistan's score improved by 2 points (84). Net gain: 0 -- 50% of countries improved; 50% worsened.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	0
2003		
2007	60%+5	
2008	65%=or+5	
2009	70%=or+5	
2010	75%=or+5	

PART Performance Measurements

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

Measure: Percentage of HRDF projects which show a positive impact on democracy and/or democratic institutions at the local, regional or national level

Additional Information: The first set of results for this measure will be in 2004.

Measure Term: Annual

Year	Target	Actual
2002		
2003		
2004	Baseline	
2005	0.8	
2006	0.83	
2007	0.85	

Measure: Percentage of independently evaluated HRDF programs which demonstrate that they are at least on target to achieve their goals

Additional Information:

Measure Term: Annual

Year	Target	Actual
2002		
2003		
2004	Baseline	
2005	0.7	
2006	0.8	
2007	0.9	

PART Performance Measurements

Program: Economic Support Fund (HRDF)
Agency: Department of State
Bureau: Bureau of Democracy, Human Rights and Labor
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
100%	63%	80%	47%	

Measure: Percentage of HRDF projects which demonstrate a positive impact on respect for human rights at the local, regional or national level

Additional Information: The first set of results for this measure will be in 2004.

Measure Term: Annual

Year	Target	Actual
2002		
2003		
2004	Baseline	
2005	0.8	
2006	0.83	
2007	0.85	

Measure: Percentage of HRDF projects which show a positive impact on press freedom at the local, regional or national level

Additional Information:

Measure Term: Annual

Year	Target	Actual
2002		
2003		
2004	Baseline	
2005	0.8	
2006	0.83	
2007	0.83	

PART Performance Measurements

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	90%	80%	52%	

1.1 Is the program purpose clear? Answer: YES Question Weight25%

Explanation: ESF is authorized through the Foreign Assistance Act of 1961 to furnish assistance "in order to promote economic or political stability." WHA uses its democracy programs to foster political stability in the region. ESF funds have been so used to support friendly governments faced with difficult economic decisions, build democratic traditions in formerly authoritarian states, promote like-minded voting in international bodies, and encourage resolution of regional conflicts.

Evidence: a. Foreign Assistance Act of 1961, Section 531. b. FY05 State Dept. Congressional Budget Justification (CBJ) (http://www.state.gov/m/rm/rls/cbj/2005/). c. WHA cable to posts on FY06 Mission Performance Plan (MPP) priorities. d. FY05 MPPs for Ecuador and Panama. e. The FY05 Bureau Performance Plan narrative (BPP). BPP Evidence: A/S Statement: Goal Papers:

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight25%

Explanation: Democratic governance is a relatively new phenomenon to most of the Western Hemisphere, and recent incidents of civil unrest reflect frustration that the promise of democracy remains unfulfilled for many. Some of the world's most intractable poverty and greatest income inequality can be found in this region. In support of Section 531 of the Foreign Assistance Act, FY 2006 ESF will be spent in 12 countries and through 5 regional programs to foster democracy and good governance, expand economic opportunities and trade capacity building, and improve environmental protection and conservation efforts in the Western Hemisphere. Through the Third Border Initiative, ESF will be used to strengthen border and immigration controls and aviation safety and security in the Caribbean.

Evidence: a. ECLAC of the United Nations Statistical Yearbook (http://www.eclac.cl/default.asp?idioma=IN). b. World Bank Group Regional Overview (http://wbln0018.worldbank.org/LAC/LAC.nsf/ECADocByUnid/53AEDA6320C3215285256CFE00518DF0?Opendocument). c. Inter-American Development Bank (IDB) Annual Report (http://www.iadb.org/aboutus/I/hi_ar_2003.cfm). d. Transparency International (TI) corruption index (http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html). e. World Bank corruption index (http://www.worldbank.org/wbi/governance/data.html). f. Freedom House Annual Survey of Freedom on democracy (http://www.freedomhouse.org/research/survey2004.htm). g. USAID CBJ (http://www.usaid.gov/policy/budget/cbj2004/request.html). h. State Dept. CBJ. BPP Evidence: A/S Statement: Goal Papers:

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight20%

Explanation: The development of efficiency measures is new as of this year's PART. The agency has not yet developed specific plans and procedures to thoroughly measure and improve efficiencies in program execution.

Evidence: a. Albright/Anderson Guidance Memo on Foreign Assistance Coordination. b. FY05 State CBJ. c. FY04 USAID CBJ. d. Congressional Notifications for reprogrammings of ESF to Bolivia, Dominican Republic, Venezuela. e. Notes from JPC subgroup on sources of foreign assistance.

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	90%	80%	52%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

Answer: YES Question Weight: 15%

Explanation: ESF is designed to be a unique and complimentary lever that the USG utilizes to further its political and economic goals in the region. It reinforces and supplements other types of U.S., third-country, and multilateral foreign assistance, but remains the most flexible funding source to promote short- to medium-term U.S. foreign policy interests. WHA takes an active role in managing ESF and works closely with USAID to coordinate ESF with Development Assistance (DA) and Child Survival and Health (CSH) funds. AID and State created a Joint Policy Council subgroup that focuses exclusively on distinguishing between these funding sources. As examples of the flexible nature of ESF funds, WHA reprogrammed FY 2004 ESF to support the democratic process in Venezuela, buttress the Govt. of the Dominican Republic in response to civil disturbances, maintain political stability and democratic order in Bolivia, and sustain the interim Govt. of Haiti after the fall of Pres. Aristide.

Evidence: a. NSPD on Western Hemisphere Strategy b. Western Hemisphere Strategy matrices. c. WHA Senior Review PowerPoint slides. d. Discussion paper on possible reprogrammings for FY 2004. e. Notes from JPC Working Group on ESF/DA delineation. f. Congressional Notifications on reprogrammings of ESF for: 1. Bolivia 2. Brazil (Zero Hunger) 3. Dominican Republic 4. Guatemala (CICIACS commission on human rights abuses) 5. Venezuela

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES Question Weight: 15%

Explanation: Foreign policy priorities and specific country or regional needs determine how and where WHA and USAID apply ESF resources in the region. Performance indicators are then developed at the post or mission level to match performance to goals and confirm whether or not resources are being applied effectively. WHA has begun the development of annual regional performance measurement and will continue to refine these measures through ongoing coordination with USAID which is the primary implementer. Long-term regional performance measures have already been established and are monitored to track progress. There is evidence that programs "graduate" - for example, the Admin. of Justice account will be closed in FY 2005 since WHA determined that its goals could better be achieved bilaterally. WHA will use the recent NSPD/Western Hemisphere Strategy to lay the foundation for the FY 2006 WHA Bureau Performance Plan. As a guide, in FY 2004 WHA will spend 70% of ESF on democracy, 28% on economic growth/trade, and 2% on other sectors.

Evidence: a. USAID Annual Reports (AR), formerly called the Results Review and Resource Request (R4) (http://www.dec.org/partners/ardb/). b. FY04 USAID CBJ. c. USAID's EVALWEB (http://www.dec.org/partners/evalweb/). BPP Evidence: Goal Papers:

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: YES Question Weight: 18%

Explanation: The breadth of activities funded with ESF means that mission performance measures may vary from country to country, but WHA does have regional performance goals and measures relating to its long term objectives of fostering stability through democracy and good governance, and economic growth and development. For democracy activities funded by ESF, WHA's long-term goals are to reduce corruption (Transparency Intl.) and expand basic freedoms (Freedom House) for countries receiving ESF. For economic growth and development activities, the World Economic Forum Growth Competitiveness Index score will measure economic progress. ESF performance goals support other top priority WHA BPP initiatives such as a peaceful democratic transition in Cuba, strengthening democratic institutions, and reducing poverty.

Evidence: a. WHA FY 2005 MPP guidance cable to the field b. WHA FY 2005 Bureau Performance Plan (BPP). c. FY 2005 Mission Performance Plans (MPP) for Ecuador and Panama. d. FY05 WHA BPP resource request table for ESF. BPP Evidence: Goal Papers:

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	90%	80%	52%	

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 17%

Explanation: Ambitious targets are established in the WHA BPP for each of the long-term ESF performance goals, and are projected out for three years beyond the current fiscal year. All of these have quantifiable performance measures and targets. For example, WHA has set a goal of 5% annual growth in the World Economic Forum Growth Competitive Index score for this region through FY 2007, even though FY 2003 PART results saw a contraction from the FY 2002 baseline. WHA has established aggressive targets for both the Transparency Intl. corruption index and Freedom House freedom indices to measure progress on democracy activities. At the same time, WHA responds to new political and economic developments in the region by redirecting ESF funds in the short-term (either through reprogrammings or the annual budget process) to higher priority targets, such as has been done in FY 2004 with Bolivia, Dominican Republic, Guatemala (CICIACS) and Venezuela.

Evidence: a. WHA BPP. b. World Economic Forum Growth Competitive Index (http://www.weforum.org/site/homepublic.nsf/Content/Global+Competitiveness+Programme%5CGlobal+Competitiveness+Report) c. Transparency International Corruption Perceptions Index (http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html) d. Freedom House, "Freedom in the World" (http://www.freedomhouse.org/research/survey2004.htm) BPP Evidence: Goal Papers:

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 10%

Explanation: WHA has developed new annual performance measures through FY 2006 that support long-term ESF performance measures for democracy and economic growth activities. However, it is somewhat unrealistic to think that most activities funded by WHA ESF have regional impacts that can be measured on an annual basis. It is unlikely that a democracy program in Country X can significantly affect the TI Corruption Perceptions Index for the region from one year to the next. Therefore, WHA is working with USAID to develop country-specific, output-based annual indicators, and plans to have those in place for the FY 2007 BPP/PART process next year. Note that annual ESF reprogrammings serve to meet annual performance goals, such as funds redirected to the Dominican Republic in preparation for elections in May 2004. Those funds supported intl. election observers who were widely praised for their contributions to free and fair elections.

Evidence: a. FY 2005 WHA BPP. b. World Economic Forum Growth Competitive Index (http://www.weforum.org/site/homepublic.nsf/Content/Global+Competitiveness+Programme%5CGlobal+Competitiveness+Report) c. Transparency International Corruption Perceptions Index (http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html) d. Freedom House, "Freedom in the World" (http://www.freedomhouse.org/research/survey2004.htm) e. Congressional Notification on Dominican Republic election observers BPP Evidence: Goal Papers:

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 10%

Explanation: WHA has set appropriately ambitious targets to meet by FY 2006.

Evidence: a. FY 2005 WHA BPP. b. World Economic Forum Growth Competitive Index (http://www.weforum.org/site/homepublic.nsf/Content/Global+Competitiveness+Programme%5CGlobal+Competitiveness+Report) c. Transparency International Corruption Perceptions Index (http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html) d. Freedom House, "Freedom in the World" (http://www.freedomhouse.org/research/survey2004.htm) BPP Evidence: Goal Papers:

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	90%	80%	52%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: YES Question Weight: 15%

Explanation: WHA and USAID/LAC Bureau work together to ensure a focus on achieving the long-term goals of strengthening democracy and improving economic growth and development in the Hemisphere. Each year, each agency reviews the other's regional planning and budgeting documents in order to coordinate goals at the regional level. This coordination between State and USAID also affects USAID's country-level strategic objectives, which are developed to support the overarching long-term objectives for the region. Nonetheless, because WHA does not have regional annual performance goals for ESF resources, the annual objectives are developed solely by USAID missions at the country level. The grantees and contractors that implement ESF funds commit to supporting the annual and overall strategic objectives that are set at the country level. The USAID Bureau for this region is in the process of developing regional performance measures, and OMB encourages State and USAID to work closely together to coordinate the improvement of annual and long-term performance measures for the WHA region.

Evidence: a. FY 2004-2009 Department of State and USAID Strategic Plan (http://www.state.gov/m/rm/rls/dosstrat/2004/). b. Automated Directives System (ADS) Section 350 guidance on SOAgs (http://www.usaid.gov/pubs/ads/). c. Sample SOAg (http://www.usaid.gov/policy/ads/300/350mac.pdf). d. ADS 300 guidance on assistance and acquisition. BPP Evidence: A/S Statement: Goal Papers:

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 10%

Explanation: Regular independent evaluations have been conducted, primarily through USAID's mechanisms; however, OMB recommends that State/WHA take a more active role in requesting and structuring regular evalutions in the future. State Dept.'s Office of the Inspector General (IG) conducts periodic reviews of bureau and post operations, with a review of WHA completed just last year. The USAID EvalWeb publishes periodic assessments and evaluations by sector or theme. One example is a recent PricewaterhouseCoopers (PWC) study of the ESF-funded Cuba program. PWC found the Cuba program to be effective, especially considering Cuban Govt. obstacles and the difficult political environment.

Evidence: a. AR report for Guatemala (http://www.dec.org/partners/ardb/index.cfm?fuseaction=ouPage.start). b. USAID EvalWeb assessments (http://www.dec.org/partners/evalweb/). c. FY05 WHA BPP. d. IG Report on WHA. e. PWC report on the Cuba program (http://www.usaid.gov/regions/lac/cu/program_report/).

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO Question Weight: 10%

Explanation: There is not sufficient evidence that budget requests are tied to the accomplishment of annual and long-term performance goals. The bureau has not sufficiently integrated performance and results analysis into its resource allocation and request processes, and OMB urges WHA to develop a more rigorous approach to annual strategic budgeting, which includes data on performance, and that will result in consideration of reallocation of ESF resources partly based on performance.

Evidence: a. State Dept. FY 2003 Performance and Accountability Report (http://www.state.gov/m/rm/rls/perfrpt/2003/). b. FY 2005 WHA BPP. c. MPPs for Ecuador and Panama. d. November 2003 trip to Bolivia and Peru. BPP Evidence: Goal Papers:

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	90%	80%	52%	Effective

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 10%

Explanation: WHA is working to improve its BPP and performance reporting. A comparison of the FY 2004 WHA BPP with the FY 2005 shows a greater focus on the most important bureau initiatives, a greater effort at simplicity and clarity, tighter performance indicators and targets for out-years, and a better link between the priorities identified in the Asst. Secretary's Statement and strategic and performance goals. WHA is working with USAID to develop annual performance measures for each post's ESF programs to better evaluate performance as one component of ESF budget requests. A WHA analyst is now traveling to ESF recipient countries to review programs. WHA uses ESF to respond to changing conditions in the region, making long-term strategic planning for ESF somewhat tenuous. The flexibility of ESF that is such an asset to the Bureau in practical terms makes strategic planning more difficult.

Evidence: a. WHA BPP for FY04 and FY05. b. IG report.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 10%

Explanation: WHA and USAID require funding recipients to manage, monitor, and report project performance information on a regular basis. These requirements are incorporated as standard clauses in contracts and grant agreements. The overseas posts (AKA Operating Units or OUs) collect performance reports from recipients on a quarterly, semi-annual, and annual basis through the Annual Report (AR) and Performance Management Plan (PMP). As an example of management action resulting from poor performance, the economic growth/income generation component of the Ecuador program ran into difficulties when CARE took the calculated risk of providing loans through two local NGOs with no experience in such matters. After an independent evaluation in FY02, USAID suspended the income generation component of the Southern Border program and concentrated efforts in the other three components (social services, local government strengthening, and natural resources management).

Evidence: a. AR for Guatemala. b. USAID LAC Bureau review of Guatemala AR. c. Post Performance Management Plan (PMP) with El Salvador. d. USAID's ADS 202.3.6. e. USAID adherence to 22 CFR 226, ""Administration of Assistance Awards to US Non-governmental Organizations,"" section 226.51, ""Monitoring and reporting program performance."" (http://www.access.gpo.gov/nara/cfr/waisidx_03/22cfr226_03.html) f. ADS 303.7. BPP Evidence: Goal Papers:

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	90%	80%	52%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES — Question Weight: 10%

Explanation: Contracts, grants and cooperative agreements contain clauses related to periodic progress/performance and financial reporting that are used to monitor activities. Past performance of contractors is considered in accordance with Federal Acquisition Requirements. Most ESF is implemented in the field by USAID working through contractors or grantees. A cognizant technical officer (CTO) is designated for each USAID program to manage contractors and grantees. CTO's review and approve vouchers, monitor contractor/grantee performance and financial pipelines, and oversee subgrants. In addition, through USAID's personnel evaluation process, activity managers are evaluated for effective management of agreements, and staff who serve as local managers for country programs are assessed according to their contributions toward the Mission's Strategic Plan. Input is sought from supervisors, peers, and clients on performance as part of the annual evaluation process.

Evidence: ADS 300. One exception to the general rule that USAID implements ESF programs overseas is the Administration of Justice (AOJ) program, where the Dept. of Justice through its ICITAP program has managed some country programs. However, in 2 countries during FY 2002, WHA in conjunction with its Chiefs of Mission became dissatisfied with ICITAP as the program manager and transferred program management to INL.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES — Question Weight: 10%

Explanation: Obligations and other information are tracked through the USAID Phoenix tracking system. The LAC Bureau in USAID has very small amounts of carry-over funds vs. funds made available. The USAID CBJ provides information by Strategic Objective (SO) for all posts' budget requests, expenditures and program performance and results. USAID's Automated Directives System (ADS) Section 602 also provides specific guidance regarding forward funding of program funds. Finally, all posts are required to prepare procurement plans that outline planned procurements and obligations and help ensure that funds are spent in a timely manner and for the intended purpose.

Evidence: a. Phoenix Flash Report. b. FY04 USAID CBJ. c. ADS 602.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: NO — Question Weight: 10%

Explanation: The development of efficiency measures is new as of this year's PART. The agency has not yet developed specific plans and procedures to thoroughly measure and improve efficiencies in program execution.

Evidence: ADS 300 provides the overall guide (ADS 302 for Contracts and 303 for Grants).

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	90%	80%	52%	

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 10%

Explanation: State and USAID share a joint Strategic Planning Framework, and work closely at the bureau and at the country level through the MPP process. In addition, as implementing agency for the ESF program, USAID coordinates through a variety of mechanisms: memos of understanding and 632(a) arrangements with other Federal Agencies; inter-agency working groups, such as with the U.S. Trade Representative on trade issues; and the Consultative Group with other donor agencies. Finally, WHA and USAID actively seek public-partner alliances in common development areas.

Evidence: a. State-USAID Strategic Plan. b. MPPs for Ecuador and Panama. c. Interagency coordinating memo on the Third Border Initiative account. BPP Evidence: A/S Statement: Goal Papers:

3.6 Does the program use strong financial management practices? Answer: NO Question Weight: 10%

Explanation: USAID implements most of WHA ESF funding. Through the Federal Managers Financial IntegrityAct (FMFIA)/Management Control Review Committee process, USAID ensures that resources are protected against fraud, waste and abuse and that they achieve the results for which funds were appropriated. The process requires each OU in the LAC Bureau to do a self-assessment of the adequacy of management controls in all areas of agency operations including program, administrative, and financial management. Each OU submits an FMFIA memo to the LAC Bureau, which in turn submits a Bureau memo to the USAID Administrator. LAC grants and contractors are also subject to audits. Currently, the Phoenix system is used for Washington accounting and the MACS system for field accounting, using two systems has created a disconnect between the two. USAID plans to roll out the Phonenix system to the field, which will resolve the outstanding problems. It is anticipated that a first LAC pilot Mission (USAID/Peru) may begin Phoenix operation in mid-FY 2004. Other pilot Missions will follow a few months later depending on the success of the first pilot. Once Phoneix is deployed to all missions, OMB anticipates agencies getting a "yes" answer for this question.

Evidence: a. ADS 620. b. ADS 596. c. FMFIA checklist. d. Post-completed FMFIA analysis with Ecuador as example. e. USAID LAC Bureau FMFIA memo to USAID Administrator dated October 29, 2002. f. Report on Material Weaknesses - Ecuador. g. USAID guidelines for recipient-contracted audits (http://www.usaid.gov/oig/legal/audauth/rcapguid.pdf).

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 10%

Explanation: USAID is actively addressing its weaknesses in financial management as described in 3.6. At the post level, missions address deficiencies or weaknesses that can appropriately be resolved at that level. Any significant deficiency or material weakness is reported to USAID's LAC Bureau and included in the Bureau FMFIA memo to the Administrator. In 2002, missions were also specifically requested to complete an information system security checklist, and the LAC Bureau has recently undertaken management assessments of its posts. For countries in which both ESF and DA are spent on democracy or economic growth activities, WHA and LAC work closely together to ensure that the two different types of funds are directed to different activities (now part of the Joint Policy Council process). For example, the democracy program in the Dominican Republic uses DA funds to promote greater civil society participation while ESF funds strengthen the judicial sector and support anti-corruption activities.

Evidence: a. ADS 620. b. FMFIA checklist. c. Post-completed FMFIA analysis with Ecuador as example. d. USAID LAC Bureau FMFIA memo to USAID Administrator dated October 29, 2002. e. Report on Material Weaknesses - Ecuador. f. FY04 USAID CBJ on the Dominican Republic.

PART Performance Measurements

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	90%	80%	52%	Effective

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?** Answer: YES Question Weight:10%

Explanation: To the maximum extent permitted by legislation and statute, USAID and WHA Bureau's contracts and grants are awarded competitively, except where supported by documentation approved by officials with authority to approve non-competitive awards. Decisions on grant and contract awards are properly documented (via selection memos, memos of negotiation, etc.). USAID Washington (via the Office of Procurement) reviews and provides oversight to ensure adherence to Federal regulations and Agency guidance on competition.

Evidence: ADS 300;ADS 202.3.9

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight:10%

Explanation: A Cognizant Technical Officer (CTO) is designated for each program to manage contractors and grantees. CTO responsibilities include technical review and approval of vouchers, monitoring contractor/grantee performance and financial pipelines, and overseeing subgrants.

Evidence: Cognizant Technical Officer (CTO) responsibilities as detailed in ADS 303.3 for Grants and ADS 302.3 for Contracts.

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight:10%

Explanation: Disclosure to the public on results is done by USAID at the agency level and also by Strategic Objective, which goes down to the country level. USAID CBJs and evaluations are available on the USAID website through the Development Experience Clearinghouse.

Evidence: USAID Performance and Accountability Reports; USAID Congressional Budget Justifications; USAID website

PART Performance Measurements

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	90%	80%	52%	

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?**

Answer: LARGE EXTENT   Question Weight: 30%

Explanation: All countries in the region save Cuba have democratic, constitutional governments, a vast improvement from 1980 when less than half did. It can be argued that WHA ESF has contributed to this democratization, but without any performance measurement systems in place over these years to demonstrate that ESF has met its targets, it is not possible to justify a YES answer. It is important to also note that ESF is an important factor in generating support for U.S. positions on multilateral issues. Support from the region is a relevant indicator of a successful ESF program, and OMB notes that WHA should consider developing an additional long-term indicator to reflect this. WHA countries generally supported us on counterterrorism and early UN voting on Iraq, and four also sent troops to Iraq. Canada extended its presence in Afghanistan. For the 2nd year, WHA countries voted with the U.S. on Cuban human rights violations at the U.N. Comm. on Human Rights. In WHA, 7 countries voted with us, and only Cuba against. Measure passed by 1 vote. Since the program has not had annual measures in place until recently, it is impossible to assess progress towards future long term targets. Reviewing just the 2002 to 2003 changes in the indices that WHA uses as long-term indicators, we see a very slight decrease in progress.

Evidence: a. Secretary Powell's 2004 address to the Council of the Americas (http://www.state.gov/secretary/rm/32100.htm). b. Voting Practices in the United Nations 2003 (http://www.state.gov/p/io/rls/rpt/c12061.htm). c. ECLAC, "Positive Signs of Economic Growth in Latin America and the Caribbean," December 2003 (http://www.eclac.cl/cgi-bin/getProd.asp?xml=/prensa/noticias/comunicados/5/13865/P13865.xml&xsl=/prensa/tpl-i/p6f.xsl&base=\tpl-i\top-bottom.xsl). d. World Bank in the Latin America and Caribbean Region 2003 (http://wbln0018.worldbank.org/LAC/LAC.nsf/ECADocByUnid/53AEDA6320C3215285256CFE00518DF0?Opendocument). e. USAID strategic report entitled ""Foreign Aid in the National Interest,"" (http://www.usaid.gov/fani/). f. 2004 testimony by WHA Asst. Sec. Noriega on "Foreign Assistance Priorities for the Western Hemisphere" (http://www.state.gov/p/wha/rls/rm/30070.htm) and by USAID Asst. Admin. Franco (http://www.state.gov/p/wha/rls/rm/30320.htm) on aid to the region. BPP Evidence: A/S Statement: Goal Papers:

4.2 **Does the program (including program partners) achieve its annual performance goals?**

Answer: NO   Question Weight: 15%

Explanation: WHA developed new annual performance measures for ESF and has not yet been able to assess progress towards these new annual goals. To date, WHA utilized the same third-party indices that are used as long-term performance measures on an annual basis. OMB did not accept these third party indices as useful performance indicators for ESF on an annual basis, since they cannot be linked closely enough to the programs and activities funded with ESF. Furthermore, where the bureau does have more than one year of data on these indices (corruption index and economic competitiveness index), the results show a slight decline in progress in the region.

Evidence: a. WHA BPP FY 2005. b. AR report for Guatemala (http://www.dec.org/partners/ardb/index.cfm?fuseaction=ouPage.start). BPP Evidence: Goal Papers:

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	90%	80%	52%	Effective

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?**

Answer: SMALL EXTENT Question Weight: 15%

Explanation: Improved coordination with USAID over the past year has the potential to reduce programming inefficiencies, and has resulted in slightly faster obligation of funds. Example - Average ESF pipeline was reduced from 10.8 mo. to 9.3 mo. between 9/03 and 3/04. This is a positive sign. To make progress the bureau needs to continue this coordination with USAID to set and meet ambitious targets for its new efficiency performance measures.

Evidence: a. ADS 302. b. FY 2004 State CBJ (http://www.state.gov/m/rm/rls/cbj/2004/). c. FY 2004 USAID CBJ (http://www.usaid.gov/policy/budget/cbj2004/request.html). d. FY 2005 State CBJ (http://www.state.gov/m/rm/rls/cbj/2005/). e. FY 2003 ESF pipeline report. f. FY 2004 (through March) ESF pipeline report.

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: LARGE EXTENT Question Weight: 20%

Explanation: USG foreign assistance programs are generally regarded as the model by which other donors determine success. WHA believes ESF spending in the region is effective and at least comparable to any other source of similar funding, but it is not supported by evaluations that assess ESF and USG work alongside the work of other donors. ESF assistance has been important in motivating other donors. For example, USG efforts to democratize Cuba through ESF have spurred the EU to do the same. WHA and USAID have joined with Japan to conduct joint activities in Mexico in HIV/AIDS and the environment, just one example of donor coordination and acknowledgment by other donors of the effectiveness of USG assistance programs. In Peru, sectoral donor coordination groups ensure that bilateral and multilateral donors avoid duplication of efforts on such issues as gender, education, and poverty reduction.

Evidence: a. FY 2004 USAID CBJ. b. USAID CDIE Development Statistics reports. c. Memo to the Secretary on initial estimates for funding needed for Haiti reconstruction (classified). d. News article - USAID statements on donor coordination for Haiti. e. Table on donor assistance in South America (http://esdb.cdie.org/cgi-bin2/broker.exe?_service=default&_program=programs.product_donor_2.sas&pcty=0SAM+&year=2002+&output=1&x=39&y=9). f. Table on donor assistance in Central America & Mexico (http://esdb.cdie.org/cgi-bin2/broker.exe?_service=default&_program=programs.product_donor_2.sas&pcty=0NCA+&year=2002+&output=1&x=37&y=11). g. Memos and news articles showing U.S. leadership in donor coordination for Haiti and Bolivia.

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	90%	80%	52%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: LARGE EXTENT

Question Weight: 20%

Explanation: A GAO study of democracy programs in six Latin American countries was conducted in 2003. That study found broad success, while also noting the difficulty in measuring success in democracy activities and the need for long-term commitment from host country leaders. State Dept.'s Office of the Inspector General (IG) conducts periodic reviews of bureau and post operations, with a review of WHA completed just last year. In FY 2004, WHA analysts began on-site visits to ESF programs in the region. Some independent evaluations are conducted at the country level as well. For example, WHA/USAID hired PricewaterhouseCoopers (PWC) to evaluate the ESF-funded Cuba program recently. PWC found the Cuba program to be effective, especially considering the difficult political environment and obstacles set up by the Cuban Government. WHA is working with USAID to develop a process for regular, independent evaluations at the country level.

Evidence: a. GAO report on democracy programs in select Latin American countries (www.gao.gov, report #GAO-03-358). b. Sample CDIE assessments on democracy programs (http://www.dec.org/pdf_docs/pnacg633.pdf, http://www.dec.org/pdf_docs/pnaca904.pdf). c. IG Report on WHA. d. PWC report on the Cuba program (http://www.usaid.gov/regions/lac/cu/program_report/).

PART Performance Measurements

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	90%	80%	52%	

Measure: The ratio of administrative costs to ESF non-cash transfer program funding

Additional Information: For 2004, the target is a 2% reduction; thereafter the targets aim for a 5% reduction annually.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	0.001049
2003		0.002077
2004	0.002035	
2005	0.001933	
2006	0.001836	
2007	0.001744	

Measure: Transparency International's Corruption Perceptions Index. Tracks perceptions of corruption in the region, which can be affected by increasing awareness of the problem vs. an actual increase or decrease in the incidence of corruption. Is the most reliable annual quantifiable indicator of progress.

Additional Information: Reduce the incidence of corruption

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	3.95
2003		3.94
2004	4.2	
2005	4.25	
2006	4.3	
2007	4.35	

PART Performance Measurements

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	90%	80%	52%	

Measure: Freedom House "Freedom in the World" country ratings, an annual assessment that rates countries on freedom as related to political rights (PR) and civil liberties (CL). Uses a scale of 1 to 7 on both measures , with 1 representing the highest level of freedom and 7 the lowest.

Additional Information: Expand individual freedom throughout the Hemisphere. Baselines and targets are the average score for the 15 countries receiving ESF in a given fiscal year.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	PR=3.07 CL=3.40
2003		PR=3.09 CL=3.27
2004	PR=3.00 CL=3.17	
2005	PR =2.91CL=3.07	
2006	PR=2.82 CL=2.98	
2007	PR=2.74 CL=2.89	

Measure: World Economic Forum Growth Competitiveness Index (GCI). Uses World Bank information to determine median hemispheric score. Measures changes in the capacity of national economies to achieve sustained economic growth over the medium term, controlling for current levels of development.

Additional Information: Promote economic growth

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	3.67
2003		3.64
2004	4.04	
2005	4.24	
2006	4.45	
2007	4.67	

PART Performance Measurements

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	90%	80%	52%	

Measure: Countries w/ the equivalent of a Freedom of Information Act

Additional Information: Adoption of FOIA-type statutes (10 ESF countries)

Measure Term: Annual

Year	Target	Actual
2002		
2003	Baseline	4
2004	4	
2005	5	
2006	6	
2007	7	

Measure: Countries adopting government ethics codes

Additional Information: Democracy programs foster passage of laws on transparency/ accountability

Measure Term: Annual

Year	Target	Actual
2002		
2003	Baseline	5
2004	5	
2005	6	
2006	7	
2007	8	

PART Performance Measurements

Program: Economic Support Fund (WHA)
Agency: Department of State
Bureau: Bureau of Western Hemisphere Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	90%	80%	52%	

Measure: Number of firms directly participating in activities to strengthen their competitiveness/ productivity

Additional Information: Measures progress in micro-level economic growth

Measure Term: Annual

Year	Target	Actual
2002	Baseline	
2003		11872
2004	12000	
2005	15000	
2006	18000	
2007	30000	

Measure: Percentage of ESF funds that have been allotted 4 months after WHA receives its final budget line item allocations

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	Baseline	0.18
2004	0.3	
2005	0.5	
2006	0.5	
2007	0.5	

PART Performance Measurements

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia

Agency: Department of State

Bureau: Bureau of Educational & Cultural Affairs

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

1.1 **Is the program purpose clear?** Answer: YES Question Weight20%

Explanation: Educational and cultural exchange programs develop friendly, peaceful and sympathetic relationships and increase mutual understanding and respect by promoting personal, professional, and institutional ties between private citizens and organizations in the United States and abroad, as well as by presenting U.S. history, society, art and culture in all of its diversity to overseas audiences. Bureau academic and professional exchange programs in NEA and SA identify future leaders and build a foundation of trust with current and potential leaders throughout the world in order to promote better appreciation of the United States abroad and greater receptivity for U.S. policies among foreign publics. Exchange programs also help build a corps of American intellectuals and opinion leaders who are well informed about beliefs, values, and events in other countries.

Evidence: Fulbright-Hays Act; Smith-Mundt Act; Presidential Memorandum on International Education Policy dated April 19, 2000; FY 2004 Performance Plan; Ties that Unite Us Brochure; ECA Web Site http://www.exchanges.state.gov; Congressional Budget Justification; Bureau Performance Plan FY 2005

1.2 **Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight20%

Explanation: The specific interest and need addressed by all Exchange programs is the need to raise the level of understanding of values, ideas, and methods between Americans and people from other countries. The events of September 11, 2001, demonstrated the need for increased mutual understanding, especially with the people of Near East Asia and South Asia and more focus has been placed on exchanges in NEA and SA since then.

Evidence: Fulbright-Hays Act; Smith-Mundt Act; Presidential Memorandum on International Education Policy dated April 19, 2000; FY 2004 Performance Plan; Ties that Unite Us Brochure;f. ECA Web Site http://www.exchanges.state.gov; Congressional Budget Justification; Bureau Performance Plan FY 2005; Public Opinion Polls conducted post-September 11; British Council study "Connecting Futures Research 2002";Pew Charitable Trusts study ; P4L One-Page Summary; PLUS Summary

PART Performance Measurements

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?

Answer: YES Question Weight 20%

Explanation: Design is based on intervention theory. ECA engages over 80,000 US volunteers to meet, host and collaborate with foreign visitors.ExchProgs also provide US audiences w/opportunities to understand foreign people,cultures&ideas.The Dept's progs provide foreign target audiences with participatory involvement in a range of activities that build on US perspectives and enhancement of skills &knowledge(education) related to areas relevant to specific strat. goals.ECA measures its impact by directly surveying program participants.Fed. funding for Exch.progs is the catalyst for leveraging funds from priv. sources and other govts and has a sig. effect on the promotion of global exchanges.Several large priv. fdns have stated that without Fed.support, they would not contribute to these progs.Foreign govts base their contrib's to the Fulbright program on the USG contrib.In FY02, 47% of funding for NEA Exch.Progs& 25% for SAExch.Progs was leveraged from the priv.sector,foreign govts,&other USG funds.

Evidence: Exchange theory diagram; m.Impact of Professional Exchanges on a U.S. Community:Philadelphia (Evaluation);Congressional Budget Submission;Russian Performance Goals Paper.In FY01 ECA brought 815 visitors from NEA and 339 visitors from SA to the US and sent 391 Americans to NEA countries and 163 to SA countries. In FY02, ECA increased these numbers to 1238 NEA participants,706 SA participants,474 Americans to NEA and 219 Americans to SA in response to the needed engagement with these regions.Definitions: Intervention Theory--if a person is exposed to new info.or experience behavior will change.If the right people are included in the intervention,then orgs will change&influence communities and societies.ECA Target Groups--1)Successor Generation (secondary school and undergrads);(2)Emerging Generation (undergraduate/graduate students, researchers,junior faculty,junior level professionals);(3)Mid-Level Generation (mid-level professionals, officials and academics);& (4 Senior, or Leadership, Generation (Senior professionals, officials, academics, opinion leaders,etc.).

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

Answer: YES Question Weight 20%

Explanation: The State Dept's Exchange Progs are focused on furthering mutual understanding and exposing foreign populations to U.S. values, language, ideas, and policies.This focus is diff. from other USG-sponsored exchange progs, which are designed to impart specific tech. expertise to foreign participants.State's Exchange progs often indirectly support the efforts of other Fed. progs,such as USAID's int'l development initiatives or the National Endowment for Democracy's democracy promotion progs,but there is no evidence of duplication.According to info compiled by the Interagency Working Group on US Government-Sponsored International Exchanges and Training,there are 13 Fed. depts and 26 independent agencies sponsoring int'l exchanges and training progs in NEA and SA.These orgs sponsor more than 100 progs in the region, but the goals and target audiences of these progs differ substantially. Approx. 75%of progs are highly specific to the mission and area of expertise of the sponsoring Federal org.Of the remaining exchange and training progs, almost half are ed. progs and initiatives sponsored by the State Dept's Exchanges Bureau, the Dept of Ed.& DOD.

Evidence: IAWG Inventory of Programs FY 2001 and FY 2002 @www.iawg.gov; IAWG List of Federal Departments and Agencies with programs in NEA and SA; IAWG Report on Graduate Education Programs in the NIS.

PART Performance Measurements

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?**

Answer: YES Question Weight: 20%

Explanation: ECA uses independent professional evaluators to assess the impact of its programs.Contractors are chosen through a competitive contracting process, usually off the GSA Federal Supply Schedule or through 8a organization competition. A multi-year program evaluation plan is developed every three years and adjusted as necessary to ensure that every year an academic, professional, and citizen exchange program is evaluated.All major funding line items have been evaluated at least once and will be re-evaluated every five to seven years.ECA also requires grantee organizations to submit evaluation plans for each grant.Some grantee orgs hire independent evaluators as well.While the evaluations focus on the "brand name" program activity, all evaluations are done in country-specific context. Recent evaluations include: ACYPL Program, Georgia Institute of Public Administration; FSA Undergraduate Program.NEA-SA specific evaluations include:International Visitor Program Special Initiatives Projects; Youth Exchange Country Profile Assessment,and the soon to be launched Youth Education Scholarship (YES) Program evaluation.

Evidence: Evaluation Statement of WorkEvaluation ScheduleRFGP - evaluation requirementGrantee evaluation proposalDepartment of State Performance and Accountability Report - FY 2002Evaluation of International Visitor Special Initiative ProjectsYouth Exchange Evaluation AssessmentStatement of Work for YES EvaluationE-mail on P4L and MEPI Evaluation priorities

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES Question Weight: 13%

Explanation: ECA has revised measures to incl. time frames and targets set relative to established baselines.Baselines were est. upon findings from independent prog evals and results reporting. ECA's regional goals are to(1)SA: Improve US and SA democracy,education and devtt efforts by increasing engagement with important Muslim pops so that these pops better understand US society and values;(2) NEA:Engender more positive attitudes toward and understanding of the US and its democratic values and foster the healthy exchange of ideas through expanded exchanges with Arab youth;(3) NEA:Provide Arab youth w/the tools to compete in an info-based economy through fostering educational institutional reform;& (4)Influence decision-making in NEA and SA institutions to be consistent with US natl interests.

Evidence: ECA BPP FY 2005;NEA BPP FY 2005;SA BPP FY 2005;P4L One-Page SummaryGrantee Report;RESULTS database http://results.state.gov;ECA Standardized Evaluation Questions;ECA participant/program database;Political, economic, public affairs and topical reporting from U.S. embassies;Alumni Reports - ACIE Newsletter;Alumni Reports - Coordinator Report;State Exchange Web Site;GPRA reports from field and domestic USG agencies;Planned program evaluations conducted by independent evaluators;Annual data call from the Interagency Working Group on Exchanges and Training;Independent polling;MPP reviews for particular countries (ECA attended NEA and SA reviews) ;FY 2002 Performance and Accountability Reportand the MPP/BPP/Senior Review process. ECA measures the attainment of its goals through grant reporting from prog partner orgs,using standardized questions;the ECA participant/program database;RESULTS database;political, economic, public affairs and topical reporting from USembassies;exchange alumni activities and communications;alumni web site(s);GPRA reports from field and domestic USG agencies;planned prog evals conducted by independent evaluators;annual data call from the Interagency Wkg Grp on Exchanges and Training; independent polling; prog reviews for particular countries;Perf. Report process;& MPP/BPP/Senior Review process.ECA coords its progs closely with State's regional bureaus to ensure that exchanges meet regional priorities and strat. goals.Goals are agreed upon through the MPPand BPPprocesses,as well as throughon-going collaboration between Bureau management and prog staff and regional public diplomacy officers and public affairs staff at USembassies.The Bureau achieves Dept goals by providing a different mix of programming in each region and country tailored to local needs.

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 13%

Explanation: ECA has annual perf. goals that demo. progress towards the overarching strategic goals.Annual targets have been set relative to established baselines.Annual perf. goals include the following:(1) the annual number of participants from NEA and SA;(2)% of NEA and SA participants who increase or change their understanding of the host country immediately following their prog. experience measured through independent evaluation surveying;(3)% of private sector, foreign,&other USG funds generated for prog. use on an annual basis.ECA measures the attainment of its goals through grant reporting from prog. partner orgs,using standardized questions the ECA participant/prog. database;the RESULTS database;political,economic,public affairs and topical reporting from U.S. embassies;exchange alumni activities and communications;alumni website(s);GPRA reports from field and domestic USG agencies;planned prog. evaluations conducted by independent evaluators;annual data call from the Interagency Working Group on Exchanges and Training;independent polling;program reviews for particular countries;the Perf. Report process; and the MPP/BPP/Senior Review process.

Evidence: ECA BPP FY 2005NEA BPP FY 2005SA BPP FY 2005, MPPs from posts in NEA and SA

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 13%

Explanation: ECA has annual perf. goals that demonstrate progress towards the overarching strategic goals.Annual perf. goals include:(1) the annual number of participants in key regions;(2)% of participants who increase or change their understanding of the host country immediately following their prog. experience measured through independent evaluation surveying;(3)% of private sector, foreign,&other USG funds generated for prog. use on an annual basis. Key program targeting (audience, program mix) happens at the sub-program level and by region. For example, youth and non-elites are the primary target for NEA, SA and EAP. Number of participants determines scope of program, and cost-sharing increases number of participants, size of program, quality of delivery. ECA measures goal attainment through grant reporting, on-line performance measurement system, reporting from US Embassies, and independent program evaluation. Annual data is also captured in Exchange Statistical Management System (ESMS).

Evidence: 4; 11; 15; 19; 20; 22; 23 BPP Evidence: A/S Statement: Goal Papers: PD.02 Goal Papers Other Goal Papers

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 13%

Explanation: ECA has targets and timeframes set to established baselines and is improving its accuracy of measurement through online performance measurement.

Evidence: 4; 11; 15; 19; 20; 22; 23 BPP Evidence: A/S Statement: Goal Papers:

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia

Agency: Department of State

Bureau: Bureau of Educational & Cultural Affairs

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:13%

Explanation: The grants process ensures the commitment of our partners to the annual and LT goals of the prog.Prior to any solicitation, Bureau prog offices work with the reg. bureaus and PA Staff at US Embassies to determine the scope and need for progs/projs.These discussions are then codified in the RFGP.When an applicant submits a proposal in response to an RFGP, the applicant must demonstrate how it will attain the goals for the prog, if awarded funding.The applicant also must submit an eval plan to demo how it will measure its perf. and prog. toward the annual and LT goals.The proposals are reviewed by US embassy staff and SA and NEA reg.bureau staff as well as by the prog staff.PA staff at US embassies submit comments about proposals to the prog office.Regional bureaus attend the grant review panel.The vetting process for grants also includes review by the Assistant Secretary and a 15-day review by Capitol Hill.The prog office monitors the implementation of the grant through weekly or monthly phone calls/emails, and requires the grantee to submit progress and financial reports and a final report.Through frequent communication and monitoring, the bureau ensures that annual&LTgoals for progs/projs are met.ECA's grants office also monitors compliance with federal regulations. In 92, ECA withheld funds from the American Council of Teachers of Russian (ACTR), due to internal control weaknesses uncovered in an A-133 audit.Once those controls were put in place, funding was restored to the organization and it has grown to become one of ECA's largest grantee partners.

Evidence: SA BPP FY 2005NEA BPP FY 2005MEPI Project Scope DocumentECA Grants HandbookCopy of Embassy CommentsCopy of an Analysis MemoCopy of Grant Panel MinutesCopy Financial Reporting DocumentCopy of a Grant ProposalCopy of Grantee Interim ReportCopy of Grantee Final ReportECA Standardized Evaluation QuestionsCopy of RFGP Program Review CriteriaAudit Report/Documentation of Funds withheld

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight:15%

Explanation: ECA uses independent professional evaluators to assess the impact of its programs.Contractors are chosen through a competitive contracting process, usually off the GSA Federal Supply Schedule or through 8a organization competition. A multi-year program evaluation plan is developed every three years and adjusted as necessary to ensure that every year an academic, professional, and citizen exchange program is evaluated.All major funding line items have been evaluated at least once and will be re-evaluated every five to seven years.ECA also requires grantee organizations to submit evaluation plans for each grant.Some grantee orgs hire independent evaluators as well.While the evaluations focus on the "brand name" program activity, all evaluations are done in country-specific context. Recent evaluations include: ACYPL Program, Georgia Institute of Public Administration; FSA Undergraduate Program.NEA-SA specific evaluations include:International Visitor Program Special Initiatives Projects; Youth Exchange Country Profile Assessment,and the soon to be launched Youth Education Scholarship (YES) Program evaluation.

Evidence: Evaluation Statement of WorkEvaluation ScheduleRFGP - evaluation requirementGrantee evaluation proposalDepartment of State Performance and Accountability Report - FY 2002Evaluation of International Visitor Special Initiative ProjectsYouth Exchange Evaluation AssessmentStatement of Work for YES EvaluationE-mail on P4L and MEPI Evaluation priorities

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia

Agency: Department of State

Bureau: Bureau of Educational & Cultural Affairs

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?

Answer: YES Question Weight:10%

Explanation: ECA links these primarily through looking at # of grants or cost-per-participant figures for each prog. and then allocating the resources needed for specific activities.For example, without current services, combined with the requirements imposed by inflation and the increased mandates of the Department of Homeland Security to implement the SEVIS student visa program, we would be unable to support an estimated 300 International Visitors to this country and 100 fewer interpreters to support these visitors. We also saw that between 1994 and 2000, a 31% decline in the exchanges appropriation led to a 27% decline in International Visitors and a 44% decline in the number of program weeks for the visitors. New exch. initiatives in NEA and SA, through P4L and MEPI, are modeled after successfully performing progs funded under FSA.The effectiveness of FSA progs has been documented through independent,external prog evals.ECA specifically linked budget to performance and planning by increasing the funding resources to NEA (from 11 to 15%of total) and SA (from 6 to 9%of total) for 2003 to support its P4L initiative, which targets expanded exchs to youth and educational reform inclusive of NEA and SA.In it's 2005 BPP,ECA will be requesting additional funds to cover these initiatives to expand significantly exchs in NEA and SA to meet regional goals.ECA is able to reallocate funding throughout the fiscal year to reflect changing priorities and can implement new projects quickly.Eg, in FY02 it reallocated 5% of its budget to increasing U.S. engagement with the Muslim world which gave them what new exchanges?.ECA is also linking planning, perf and budget through the development of a cutting edge perf measurement system (E-GOALS).The system will be piloted tested on MEPI and P4L projects in the summer of 2003.The MPPs, the BPPs, Senior Review, and the 2004 Performance Plan also demonstrate the collaboration.

Evidence: ECA BPP FY 2005; NEA BPP FY 2005;SA BPP FY 2005;Memo on using FSA as model for P4L initiatives;E-GOALS Concept Paper;E-GOALS Architecture Paper;MEPI Meeting Notes; The FSA Undergraduate Program,which included two comparison groups and demonstrates the impact of an exchange experience on understanding of the U.S. and leadership skills,is serving as the model for a new undergrad exchange that will target NEA and SA students;PD Guidance Cable;P4L Program Matrix; Funding level formula: ([(a / (x + y)] = (1 -1) * n, where a is the current ECE request, x is the previous year ECE enacted before rescission, y is the previous year FSA/SEED, n is the total estimated number of previous year exchange participants. DEFINITIONS: FSA-Freedom Support Act, P4L- Partnerships for Learning; 2002 BPP Presentation

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies?

Answer: YES Question Weight:13%

Explanation: The OIG report notes the effective collaboration between ECA and posts in program planning as well as the use of evaluation data for strategic planning. ECA revised and sent planning guidance to the regional bureaus and posts for the MPP process and is collaborating through meetings and a resource request template to develop plans for 2006. Many of the changes result from ECA's application of the recommendations from OMB in its earlier PART for exchanges in NEA and SA to improve its strategic planning for all programs and regions. ECA is working with regional bureaus to develop a common list of critical institutions within regions for even more refined targeted programming.

Evidence: 4; 34. Resource request template; 35. 2006 MPP guidance cable; 36. Critical institution email BPP Evidence: A/S Statement: Goal Papers: Exchanges in NEA and SA (PART) Goal Paper - Milestones

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia

Agency: Department of State

Bureau: Bureau of Educational & Cultural Affairs

Type(s): Competitive Grant

Section Scores				**Rating**
1	2	3	4	Effective
100%	100%	100%	93%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES Question Weight: 10%

Explanation: Progs for NEA and SA, as well as all programs in ECA regularly collect perf info. This includes a range of reporting and evaluation, including performance checklists, grantee reports, results reports from U.S. embassies through the RESULTS database, and independent external evals. Each grant program requires reporting from participants and/or grant orgs (e.g. the IV program has escort/interpreter reports, the Fulbright Program has end-of-experience final reports), which are all based upon country and region specific projects.The reporting structure used by the FLEX youth exchange,will serve as the performance reporting model for ECA's primary NEA/SA initiative, the YES Youth Exchange.This covers qtrly participant reporting, financial reporting as well as a host of success stories and effectiveness and alumni reporting.Also, the E-GOALS perf measurement system is building in an activity and perf reporting capability for data to be entered by prog partners that will be pilot-tested in FY03-04 with P4L in NEA and SA and MEPI projects which cover NEA countries.Another example:The International Visitor Program uses a national program agency performance checklist to measure the performance of its International Visitor Program.The checklist is completed by program officers after each project is completed and rates the performance of the non-governmental organization (NGO) used for that project on 25 indicators in 5 areas.ECA has used the results from these checklists to shift workload responsibilities to better performing organizations.

Evidence: RESULTS database (examples); Reporting requirements survey matrix; International Visitor Program: National Program Agency Checklist;International Visitor Program: Escort Interpreter Report;International Visitor Program: End of Project Survey;International Visitor Program: Results Cable;Fulbright Program: Participant Final Report;Fulbright Program: Final Grant Organization Report;Youth Exchange: Survey;Youth Exchange: Bradley Herald;Embassy Program comments, FLEX Reporting Document List

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 10%

Explanation: Project managers and program partners are held accountable in several ways. Performance benchmarks for project/program managers were established in 1997. Managers must meet the benchmarks before being promoted. Program managers are also held accountable through the grant proposal review process. Program managers must explain the performance of a program by the program partner in order to defend the proposal and secure new funding. In grant renewal cases, the proposal defense is put before a panel of senior bureau managers, who must determine as part of the decision-making process whether the program has encountered cost, schedule or performance results. All program partner organizations must submit program progress and financial statements. In order to provide a system of independent checking of grant performance, the program reports and the financial reports are sent both to the program manager and the grants/contracting officer. The grant closeout process is also separated from the program manager to ensure an objective review of the final performance, cost and schedule.

Evidence: Program Manager benchmarksGrant Proposal Analysis MemoPanel Review MinutesGrant Process HandbookFinancial Statement FormGrant Closeout Document

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight:10%

Explanation: The Exchanges appropriation is no-year money.The Bureau obligates 99% of the account annually for the intended purpose of its programs.Congress frequently directs the Bureau to expend unrestricted balances to the maximum extent possible on otherwise non-funded items in bills and conference reports. In terms of managing its funds to ensure that obligations are timely and spent for intended purposes, the Exchanges Bureau uses the A-133 audit process to audit grantees.ECAuses the HHS payment system in order to review funds before they are drawn down, and when there are questions about an organization's spending, the Bureau puts them on a reimbursable payment schedule.ECA's budget office distributes monthly status of funds reports to all middle and senior managers in the bureau.

Evidence: Status of funds reportGrantee Audit ReportFinancial Reporting Form

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight:10%

Explanation: Cost effectiveness/comparison is a prescribed criterion in all grant proposal reviews.ECA also uses IT improvements to achieve efficiencies and cost-effectiveness.In NEA and SA IT has been used to improve program effectiveness.The AMIDEAST Educational Advising Center in the West Bank/Gaza is implementing viritual advising to overcome the physical barriers of Palestinian students who cannot reach the local advising center.AMIDEAST also has an online research service for all Educational Advisors that fosters quick responses to questions about U.S. education.For this service, AMIDEAST tracks efficiency measures such as the amount of time to respond to questions.Other ECA examples: During the competition for the Fulbright Student Program grant in FY01, cost-effectiveness became one of the central deciding factors for awarding the grant due to the large differences in cost-sharing, and thus unit cost, between the competing organizations.In FY02,cost-sharing requirements for interested NGOs will increase to 50% from 20-30% in Citizen Exchange programs.In FY 2000 ECA established a technology prioritization committee and process comprised of senior managers from the Bureau and International Information Progs/IT.The group reviews all bureau IT projects and makes decisions about what projects to fund and at what levels.

Evidence: IT Business Plan Phase 1 ReportPrioritization Committee DocumentsRequest for Grant Proposal solicitation/POGIAMIDEAST Virtual Advising Proposal

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight:10%

Explanation: ECA works closely with an interagency exchanges group as well as collaborates regularly with private and non-profit educational, cultural and professional exchange organizations.

Evidence: 11; 12; 18; 24; 31; 64. MEPI Project Scope Document; 65. MEPI Evaluation Report BPP Evidence: A/S Statement: Goal Papers: IT Business Plan Phase 1 ReportPrioritization Committee DocumentsRequest for Grant Proposal solicitation/POGIAMIDEAST Virtual Advising Proposal

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia

Agency: Department of State

Bureau: Bureau of Educational & Cultural Affairs

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

3.6 Does the program use strong financial management practices?

Answer: YES Question Weight: 10%

Explanation: The Bureau is now part of the Department's systems and submitted itself to an independent review of its financial practices in 1999.The accountant identified no fundamental weaknesses in the Bureau's financial management practices. The Bureau utilizes a number of means to ensure strong financial management practices. It has developed its cuff record system to check obligations against commitments. In addition, the Bureau employs a financial analyst who checks line-by-line obligations and commitments to ensure quality payment control. The bureau now uses Ariba buying system to prepare, track, and report on purchase orders and contracts. The 2003 OIG report found no material weaknesses with respect to financial management.

Evidence: 7; 63; 66. Financial review report (submitted to OMB 2002); 67. CMFS screen shots

3.7 Has the program taken meaningful steps to address its management deficiencies?

Answer: YES Question Weight: 10%

Explanation: The 2003 OIG report found no material weaknesses. With its merger into the State Department in 1999, ECA has addressed a number of deficiencies identified earlier, including incompatible financial tracking systems (ECA is now on the Department's system), and has expanded its Exchanges Database (EDS) to include all program elements. EDS tracks exchange projects and participants from beginning to end. ECA also has an integrated E-Grants database tracking solicitations, proposals and grant awards, which prevents duplicate tracking of programs. The Executive Information System, which is a reporting tool that covers the EDS, has a null data feature that allows managers to know where data is missing or incorrect. A report using this feature is printed out each month.

Evidence: 7; 16; 67; 68. EIS screen shots; 69. EDS architecture description BPP Evidence: Goal Papers: Management goal papers

3.CO1 Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?

Answer: YES Question Weight: 10%

Explanation: One hundred percent of ECA's grant awards go through a merit-based review process. ECA annually reviews approximately 1,000 grant proposals and awards approximately 335 new grants. Approximately 10 percent are awarded to first time grantees. Competitions are announced publicly. ECA's E-Grants system is being considered as a model for the rest of the Department. ECA grants are also announced through the grants.gov .

Evidence: 16; 17; 24; 51; 52

3.CO2 Does the program have oversight practices that provide sufficient knowledge of grantee activities?

Answer: YES Question Weight: 10%

Explanation: ECA has well-established reporting and tracking features in place. For financial tracking, obligations and modifications to grants are tracked through CFMS. Grantee organizations submit regular financial reports, which are reviewed by the program office and grants coordination office. The Bureau requires detailed interim and final reports from all grantees and conducts site visits by program managers as well as regular email and telephone communications between program managers and grantees. One hundred percent of ECA IV participants on group projects are debriefed through a standardized questionnaire, 100% of English specialists submit online reports using a standardized form. Nearly 100% of Fulbrighters submit final reports which are standardized. Grantee organizations are also required through the grants process to conduct an evaluation of all of the grant activities and results and submit an analysis to ECA. Grantees are subject to A-133 audits.

Evidence: 16; 17; 18; 26; 37; 43; 45; 53; 54; 56; 67; 70. English Language Reporting Form

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia

Agency: Department of State

Bureau: Bureau of Educational & Cultural Affairs

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 10%

Explanation: ECA regularly collects program and project performance data and makes it available to the public on its evaluation web page and via list serves as well as in its print and online newsletter, The Exchange. Grantee perf is contained within the eval reports.ECA encourages grantees to publicly post their results information.Most grantees including AMIDEAST and IREX post their results information on their website. IIE's web site (www.iie.org) contains"Notes from the Field" which allows Fulbrighters to post their experiences online. ECA also receives results information directly from participants via the In Their Own Words web site, where participants describe the results of their experience.

Evidence: 6; 22; 26; 27; 44; 47; 71. AMIDEAST web site: www.amideast.org,; 72. IREX web site: www.irex.org, 73. The Exchange Newsletter, 74. RESULTS database; 75. IIE website: www.iie.org; 76. In Their Own Words web site: http://speakout.state.gov; 77. CultureConnect website: http://cultureconnect.state.gov/

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight: 20%

Explanation: Although it may take several years for a particular exchange experience to demonstrate results, ECA through its use of private sector methodology is able to demonstrate progress toward its long-term goals. Independent evaluations demonstrate that ECA meets its goals with its target audiences and within different regions. ECA's performance measurement demonstrates it meets its long-term goals and targets. The OIG report confirms that the American taxpayer gets high value from exchange programs and their effective management.

Evidence: 4; 6; 7; 27; BPP Evidence: A/S Statement: Goal Papers: PD.02 Goal Papers

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: YES Question Weight: 25%

Explanation: ECA cannot achieve its annual goals without its partners and has demonstrated that it has either met or exceeded its annual goals.

Evidence: 4; 6; 22; 26; 27; 44; 47; 71; 72; 73; 74; 75; 76; 77 BPP Evidence: A/S Statement: Goal Papers: PD.02 Goal Papers

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: YES Question Weight: 20%

Explanation: ECA measures its efficiency at the sub-program level by reviewing Cost-per-Participant, Total Administrative to Program Ratio (Administrative Efficiency) and the time it takes to process its grants. ECA is meeting its efficiency goals and working to improve efficiency in these areas.

Evidence: 4; 16; 51; BPP Evidence: Goal Papers: PD.02 Goal Papers

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia

Agency: Department of State

Bureau: Bureau of Educational & Cultural Affairs

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA

Question Weight: 0%

Explanation: The Interagency Working Group for International Exchanges and Training (IAWG) in are report on performance measurement determined that it is too difficult to set common performance measures for exchange programs across the USG. The purposes of exchanges administered through private sources do not have the same goals. On the international front, ECA is conducting a joint evaluation with the British Council and Government to measure the effectiveness of teacher exchanges, which will be used to to look at comparability as well as feed into each organization's strategic planning. ECA is also consulting and advising Italian and Japanese exchange programs on how to measure effectiveness and has extended requests to Australia, Canada and Germany for like comparisons.

Evidence: 78. IAWG Performance Measures report; 79. Fulbright Teacher Exchange Evaluation SOW; 80. British Council Terms of Reference for Fulbright Teacher Exchange Evaluation

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: YES

Question Weight35%

Explanation: 21completed independent evaluations and 5 internal management reports of functional programs worldwide conducted by 15 external evaluation organizations have concluded that ECA's exchange programs are effectively meeting goals and administered well. ECA currently has four other evaluations in draft, 10 on-going projects, and four additional projects to be launched in 2004.

Evidence: 27; 30; 32; 81. Evaluation Project List BPP Evidence: A/S Statement: Goal Papers: PD.02 Goal Papers

PART Performance Measurements

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

Measure: Percent of Administrative Costs in relation to Program Costs (Administrative Efficiency)

Additional Information: The efficiency measure assures that the highest percentage of funds go to direct program costs and program beneficiaries.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	35
2003		34
2004	33	33
2005	32	
2006	32	
2007	31	

Measure: Percentage of exchange participants who report a more favorable view of the people of the United States within one year after their exchange experience.

Additional Information: Favorable view of the United States is one indicator of increased trust and willingness to maintain relations with the United States.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	0.92
2003		0.91
2004	92	0.92
2005	93	
2006	93	
2007	94	

PART Performance Measurements

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

Measure: Percentage of exchange participants who initiate or implement a positive change in their organization or community within five years of their exchange, based on knowledge gained from their exchange. "Positive" is defined as exemplifying the fundamental norms and values embraced by Americans and inc

Additional Information: Measure is an aggregate of multiple types of programs. Positive change includes items such as creating an NGO, revising or creating curriculum, drafting legislation, changing business practices, etc.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	0.76
2003		0.8
2004	0.8	0.8
2005	0.8	
2006	0.8	
2007	0.82	

Measure: Percentage of participants who establish or continue professional collaborations more than five years after their exchange experience.

Additional Information: Eighty percentage of participants will continue professional collaborations with people in the United States more than five years after their exchange experience.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	81
2003	80	81
2004	80	
2005	80	
2006	81	
2007	81	

PROGRAM ID: 10000380

PART Performance Measurements

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

Measure: The number of foreign exchange participants by region to reflect current US foreign policy objectives commensurate with funding. Percentage annual increase over FY 2002 Basline.

Additional Information: Increase the number of foreign exchange participants in key regions, to reflect U.S. foreign policy objectives, commensurate with funding.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	NEA: 1,238SA:706
2003		NEA:1,626SA:732
2004	26%-NEA:1560 SA: 890	NEA: 1560 SA:890
2005	30%-NEA:1609 SA:918	
2006	35%-NEA:1671 SA:953	
2007	reassess targets	

Measure: Percentage of exchange participants who express satisfaction with the exchange experience based on an average of several program factors: 1) administration; 2) content quality; 3) range of experiences; and 4) relevance of program to professional or academic field.

Additional Information: Ninety-five percent of exchange participants will remain satisfied with their exchange experience up to one year after the experience.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	94
2003		91
2004	94	94
2005	95	
2006	95	
2007	95	

PROGRAM ID: 10000380

PART Performance Measurements

Program: Educational and Cultural Exchange Programs in Near East Asia and South Asia

Agency: Department of State

Bureau: Bureau of Educational & Cultural Affairs

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

Measure: Percentage of participants who increased or changed their understanding of the United States immediately following their program.

Additional Information: Ninety-two percent of participants will increase or change their understanding of the United States immediately following their program.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	0.91
2003		0.89
2004	0.92	
2005	0.93	
2006	0.93	
2007	0.94	

Measure: The percent of private sector, foreign, and other USG funds generated for ECA programs on an annual basis

Additional Information: Increase the percent of private sector, foreign, and other USG funds generated for ECA programs on an annual basis to 50 percent by 2010.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	0.59
2003		0.6
2004	0.45	
2005	0.46	
2006	0.47	
2007	0.48	

PART Performance Measurements

Program: Export Controls
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	80%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of the Export Control and Related Border Security Assistance (EXBS) Program, managed by State/NP's Office of Export Control Cooperation (NP/ECC) is to build effective national export control systems that meet international standards in countries that possess, produce, or supply such items as well as in countries through which such items are most likely to transit. In this way, the program seeks to prevent the proliferation of weapons of mass destruction (WMD) and the illicit transfer of conventional weapons.

Evidence: a. Congressional Budget Justification for Foreign Operations, FY2004 b. Authorization legislation (Chapter IX of Part II of the Foreign Assistance Act of 1961, as amended) c. EXBS Program Strategic Plan d. Strategic Plan for Nonproliferation Export Control and Related Border Security Assistance in Eurasia

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: The September 2002 National Security Strategy directs enhanced U.S. assistance to strengthen nonproliferation efforts to prevent rogue states and terrorists from acquiring the materials and technologies necessary for WMD. Nonproliferation, in particular, the strengthening of national export control systems, is one of the U.S. Government's highest priorities. Material, technology and dual-use items related to WMD and their delivery systems, as well as conventional weapons, are available in numerous countries.

Evidence: a. EXBS Program Strategic Plan b. Strategic Plan for Nonproliferation Export Control and Related Border Security Assistance in Eurasia c. Strategic Plan for Interagency Coordination of U.S. Government Nuclear Detection Overseas (Draft - 2003)

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: The EXBS Program is unique and complementary to other programs; it is a global program with a broad mandate covering all items of proliferation concern and is not limited geographically as are some other U.S. Government (USG) programs (e.g. Cooperative Threat Reduction programs of the Department of Defense) or in scope (e.g. Department of Energy programs that focus on radiation detection and other nuclear-specific issues). Lead roles are identified in an interagency strategic plan. Export related border control initiatives are also cleared through the NP/ECC-chaired Interagency Working Group (IWG) on Nonproliferation Export Control Assistance (includes the Departments of Defense, Homeland Security, Energy, Commerce and the Intelligence Community) to prevent duplication and program plans are shared among all relevant agencies. Activities in Eurasia, where there is the greatest potential overlap, are further coordinated through the Department of State's Coordinator of U.S. Assistance to Europe and Eurasia.

Evidence: a. EXBS Program Standard Operating Procedures (SOPs) b. EXBS Program Strategic Plan c. Strategic Plan for Nonproliferation Export Control and Related Border Security Assistance in Eurasia d. Strategic Plan for Interagency Coordination of U.S. Government Nuclear Detection Overseas (Draft) e. The International Counter Proliferation Program Implementation Plan (DOD) f. Interagency-cleared Program Plan cables.

Program:	Export Controls		
Agency:	Department of State		
Bureau:	Bureau of Non-Proliferation		
Type(s):	Direct Federal		

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	80%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

Answer: YES Question Weight: 20%

Explanation: Independent evaluations have not found major flaws in program design. The most recent GAO survey found no problems in the financial management of the program. The EXBS Program uses interagency acquisition agreements (IAA's), grants and contracts to implement programs. In 2003, as a result of increased requirements and demand for results in less time, a full and open competition resulted in award of a performance-based Integrated Support Services Contract (ISSC), accounting for 22% of FY 2003 funding; in FY 2004 ISSC contract task orders will exceed 52% of EXBS program funding.

Evidence: a. 2004 Center for Int'l. Trade & Security (CITS) assessment of EXBS countries' export controls b. GAO Report on Nuclear Interdiction Efforts (FY 2002) c. State/OIG audits of Interagency Acquisition Agreements in FY 2001-2002. d. Los Alamos Technical Associates program audits in FY 2001 e. GAO Assessment of NADR programs in FY 2004.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES Question Weight: 20%

Explanation: The EXBS Program targets countries in need of assistance by evaluating where their export/border controls are weak, whether they are a producer, supplier or transit state for items of proliferation concern, and whether they have the means or are likely to address these deficiencies without EXBS program assistance. For each country targeted the process is to assess, identify and prioritize deficiencies and assign activities to address these deficiencies.

Evidence: a. Program-related strategic Plans (EXBS, Nuclear Detection, and Eurasia) b. NP/ECC SOP "Development and Format of EXBS Program Plans. c. Congressional Budget Justification. d. Bureau Program Plans e. Funding Allocation Memoranda

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: YES Question Weight: 13%

Explanation: The long term goal for the EXBS Program is to establish export controls that meet international standards in countries that pose a potential proliferation threat due to lack of such controls and deminish or eliminate their role as a source, provider, or likely transit route for weapons of mass destruction, their delivery systems, other weapons, and related items and technology. Progress is defined by establishing a measure of the growing number of countries that meet international standards for export controls on an annual basis as determined by performance assessments conducted by a neutral third party. A second outcome performance measure is reducing the average delivery time for goods and services from the date of obligation of funds.

Evidence: a. Program-related Strategic Plans (EXBS, Nuclear Detection, and Eurasia b. FY 2006 BPP c. Center for International Trade and Security (CITS) report "Nonproliferation Export Control Assessments, 2003: National Evaluations". d. Export Control System Standards e. Completed Task Orders

Program: Export Controls
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	80%	

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight:13%

Explanation: The EXBS Program has ambitious targets and timeframes for its long-term measures. It proposes to more than double the number of countries meeting international standards for export controls between fiscal year 2004 and 2006 and to reduce the average delivery time for goods and services by 2 months each year within the same timeframe.

Evidence: Center for International Trade and Security "Nonproliferation Export Control Assessments, 2003: National Evaluations" also provided a basline for the first long-term measure. Quarterly reports provide a baseline for and ability to assess the second. BPP Evidence: Goal Papers

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:13%

Explanation: At present the EXBS Program has two quantifiable annual performance indicators that will demonstrate progress towards achieving its long term goals; 1) the number of EXBS Program recipient countries that have developed and instituted valid export control measures meeting international standards;and 2) reducing the average delivery time of program training and equipment to countries following obligation of funds for these goods and services.

Evidence: BPP Evidence: Goal Papers: The FY 2006 BPP

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight:13%

Explanation: The program baseline was established in FY 2004 with the "graduation" of three countries that met international standards for export control and related border security operations and no longer receive EXBS Program assistance. The EXBS Program has ambitious targets for success: to more than double the number of countries graduating from FY 2004 to FY 2006 and reduce average delivery time of goods and services by 2 months each year within that timeframe. Similar targets for annual graduation have been established through FY 2008. All countries will have been re-assessed by January 2006 using independent third party analysis and evaluation.

Evidence: The CITS FY 2003 Report. Completed Task Orders and Agencies' Quarterly Reports. BPP Evidence: Goal Papers: The FY 2006 BPP

Program: Export Controls
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	80%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: YES Question Weight: 13%

Explanation: Agency funding recipients and primary contractors, and the host country are committed to the program goals for each country. Implementing agencies commit to goals by clearing program plan cables and signing the IAAs/MOUs by which funds are obligated to them. Contractors and grantees are tasked to carry out programs that support annual and long term program goals. The host country demonstrates its commitment to the program by participating in program activities, implementing the improvements the program aims to foster and, in some cases, signing bilateral agreements covering the objectives and terms of program assistance. Memoranda of Understanding (MOU) for Interagency Acquisition Agreements (IAA's) require quarterly reports on obligations and expenditures. The ISSC contracts internalized BPP statements in the Request For Proposals. ISSC contractors and in-country EXBS Program advisors provide monthly status reports to NP/ECC.

Evidence: a. Terms of ISSC performance based contracts. b. Interagency Acquisition Agreements (IAA's). c. Monthly EXBS Program advisor progress reports d. Monthly Progress Reports from ISSC contractors. e. Terms of grants awarded by the EXBS Program. f. NP/ECC SOPs f. Agency Quarterly Reports

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 13%

Explanation: Starting in FY 2003 as a baseline and then every other year after that, the Center for International Trade and Security (CITS) at the University of Georgia conducts an evaluation of the status of each country's export control system in terms of achieving performance targets and recommendations for improvement. In addition, periodic audits of the program and specific aspects of it are conducted by independent agencies to include the General Accounting Office (GAO) and contracted audit firms. The Office of the Inspector General (OIG) will conduct an inspection of the NP Bureau in May-June 2004.

Evidence: a. CITS FY 2003 Report. b. GAO Report on U.S. Efforts to Combat Nuclear Smuggling. c . Cotton & Company LLP, Certified Public Accountants audits of Interagency Acquisition Agreements. d . Los Alamos Technical Associates audits of FY 2000 and FY 2001 funds.

Program: Export Controls
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	80%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight: 13%

Explanation: Budget requests are the end product of planning, coordination and approvals for each countries' Annual Program Plan designed to meet that year's performance goals and contribute to reaching the program's long term goal. For the EXBS Program, the Congressional Budget Justification (CBJ) provides the total funding request, the funding level requested for each country and a summary of activities to be funded. Final budget approval by the Under Secretary of State for Arms Control and International Security requires strong justification for funding levels and evidence that these funds contribute directly to meeting annual and long-term performance objectives. In addition, program funding supports operation and management costs associated with the EXBS Program.

Evidence: a. Congressional Budget Justification for Foreign Operations, FY2004 b. FY 2006 Bureau Performance Plan c. President's Management Agenda Budget. d. NP/ECC SOP on "Development and Format of EXBS Program Plans" e. Funding Allocation Memoranda

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: The EXBS Program has developed and is refining a Strategic Plan to reflect lessons learned from past years' experience, and changes in policy or strategic direction. Specifically, the plan addresses the prioritization of assistance among target countries in order to reach the program's long-term goal as quickly and efficiently as possible. Countries recently added to the EXBS Program portfolio will be added to the plan.

Evidence: a. FY 2006 BPP b. Program-related Strategic Plans (EXBS, Nuclear Detection, and Eurasia)

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 14%

Explanation: NP/ECC Program Officers coordinate daily with agency implementers on the execution of country performance plans. Officers and the Program Manager also monitor contractor performance and rate that performance each quarter. Agencies are required to submit quarterly financial execution reports to NP/ECC by the 15th day of the first month of each quarter. EXBS Program advisors in the field provide monthly progress reports. In addition, annual requests by agencies for time extensions on IAAs are reviewed by NP/ECC to assess program progress, and if progress is not timely, NP/ECC and agencies agree on appropriate reprogrammings, if necessary, before IAAs expire.

Evidence: a. IAA Quarterly Reports. b. EXBS Program advisor's monthly reports. c. ISSC contractor monthly reports. d. "Period of Performance" letters. e. EXBS Program Standard Operating Procedures.

Program: Export Controls
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	80%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 14%

Explanation: Federal managers undergo annual individual job performance appraisals which include an assessment of their ability to plan, execute operations, and manage IAA's, ISSC contracts and grants. ISSC is a performance-based contract. ISSC contractors are required, under our performance objective, to implement cost avoidance/cost savings measures which favor the U.S. Government. All task orders to date have been on-time and under budget. In addition, managers are responsible to report material weaknesses, notify Congress of violations of funding levels and move funds to contracts if agencies are not achieving performance goals. Program managers respond to requirements noted in quarterly and monthly reports and make recommendations to withhold or reprogram funds when a host country demonstrates lack of commitment to the program.

Evidence: a. Annual individual job performance standards. b. IAA Quarterly Reports. c. ISSC contract monthly reports. d. Program-related Standard Operating Procedures, including NP/ECC SOP on "Reprogramming of EXBS Program Funds Obligated to Agencies"

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 14%

Explanation: The EXBS Program operates with one-year funds (i.e. they must be obligated within the fiscal year appropriated). EXBS Program funds are fully obligated each fiscal year. Agency implementers have been given two years in which to sub-obligate these funds. ISSC contractors are given a period of performance of one year or less. In allocation requests to the Under Secretary, the EXBS Program indicates intended country program spending levels, to include strong program justification that supports annual and long term performance goals. As noted in question 2.6 above, assessments and audits of performance and financial management are conducted regularly by outside parties; audits every two years through the Office of the Inspector General; assessments annually through an independent NGO.

Evidence: a. IAA 's, ISSC Contracts and Grant documents. b. Resource Management year-end allocation reports. c.Independent audit reports as noted in question 2.6 above.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES Question Weight: 14%

Explanation: A 2002 GAO report on Nuclear Interdiction Efforts noted that "some agency expenditures have not kept pace with growth in funding." To improve efficiency in providing assistance, two performance-based Integrated Support Services Contracts (ISSC) were awarded in 2003 for 1 year with up to 4 option years, in conformance with Federal acquisition regulations. One of the contracts' main objectives is cost avoidance/cost savings for the USG. Awarding the same type of contract to multiple contractors for provision of the same type of services allows the Government the benefits of competition throughout the program's life-cycle. The program has also developed and is refining a database to better track program expenditures.

Evidence: a. Federal Acquisition Regulations b. NP/ECC contract selection committee notes. c. GAO Report on Nuclear Nonproliferation, dated April, 2002 d. In FY 2003 elevated database manager to full-time status.

Program:	Export Controls		
Agency:	Department of State		
Bureau:	Bureau of Non-Proliferation		
Type(s):	Direct Federal		

Section Scores				**Rating**
1	2	3	4	Effective
100%	100%	100%	80%	

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight:14%

Explanation: Through participation in Interagency Working Group (IWG) on Export Control Assistance (chaired by NP/ECC), clearing program plans with all interested parties, numerous conferences and symposiums, the EXBS Program effectively coordinates and collaborates with related programs undertaken by other USG agencies and international organizations in the development of country plans. State (NP/ECC) has agreements and (or) Memoranda of Understanding (MOU) with DOD,DOC, DHS/CBP,DHS/USCG and DOE outlining requirements and responsibilities in specific countries/regions for programs to enhance countries' export control and related border security capabilities. As a result, duplication of effort has been minimized.

Evidence: a. Interagency Working Group on Export Control Assistance. b. Agreements and MOU's with other federal agencies. c. Program Plans d. EXBS Program Strategic Plan for Eurasia e. Strategic Plan on Nuclear Detection

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight:14%

Explanation: The EXBS Program adheres to all Federal Acquisition Regulations and uses sound judgment and best business practices. Obligation of funds via IAA's, ISSC contracts, program grants and the processing of invoices/payments tracked closely through the NP executive office, Division of Resource Management (DRM). Periodic budget meetings are held with the DRM team to review current status of obligations, ensure payments are timely, fiscal data is accurate and coordinate other program requirements.

Evidence: a. Federal Acquisition Regulations. b. DRM spread sheets on obligations and expenditures c. Quarterly Reports on obligations and expenditures d. Program Audits

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight:14%

Explanation: The CITS report, "Nonproliferation Export Control Assessments, 2003: National Evaluations" recommends various ways to strengthen countries' export control systems. As a result, the EXBS Program has included these recommendations in the development of country plans. An independent contractor was hired to assist and review the management of the development and execution of the two performance based ISSC contracts, which are intended, in part, to address deficiencies in assistance delivery by certain agencies. In addition, a data base manager and a second program manager were hired, and a request will be submitted for a FTE in FY '06 for program management.

Evidence: a. CITS FY 2003 Report b. Sent contracting officer to Eurasia to award backlogged contracts c. Developed SOP's to standardize procedures d. Tightened agency memorandum of understanding (MOU) language e. Changed from multiple to single country IAA's

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight:30%

Explanation: In the FY 2006 BPP the FY 2004 Performance Rating is "Above Target" because substantial progress has been made in achieving the long-term goal of establishing export controls that meet international standards in Kyrgyzstan, Azerbaijan, the Balkans, Moldova, Ukraine, UAE, Jordan, Thailand, Cyprus and Malta. Poland, Hungary and the Czech Republic have graduated from the program. We have also made considerable progress in cutting the time required for program delivery to the field - our second long-term goal.

Evidence: BPP Evidence: Goal Papers: FY 2006 Bureau Performance Plan

Program: Export Controls
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	80%	

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight30%

Explanation: The FY 2006 Bureau Performance Plan indicates the EXBS Program is above target for FY 2004: "selected countries in Europe and Eurasia meet internationally recognized export control standards; at least two more key transshipment contries achieve significant progress in meeting standards for effective enforcement".

Evidence: CITS FY 2003 Report BPP Evidence: Goal Papers: FY 2006 Bureau Performance Plan

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: YES Question Weight20%

Explanation: The EXBS Program demonstrated improved efficiency (reducing the time between identification of requirements and delivery of goods and services to EXBS Program countries) in achieving yearly program goals by issuing task and delivery orders under competitive, performance-based ISSC contracts. As noted in question 3.4 above, each task order is competed between the two contractors, allowing the Government to select the most efficient proposal. Results thus far show that ISSC contracts allow for faster response to requests for supplies and services from field locations. ISSC contracts accounted for 22% of FY 2003 funding and increased to 52% of FY 2004 funding. The annual (initiated in FY 03) office director's "Period of Performance" reviews requires government agencies and other contractors to adhere to performance time lines and provide the required goods and services in an efficient manner.

Evidence: a. Terms of ISSC contracts. b. FY 2006 Bureau Performance Plan. c. FY 2003 and FY 2004 Action Memoranda to the Under Secretary of State for Arms Control and International Security. BPP Evidence: Goal Papers:

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: There are no comparable programs with similar purposes and goals to compare to. Even if this were a comparable program in terms of performance, NP/ECC would not have access to their performance data.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: YES Question Weight20%

Explanation: The University of Georgia's Center for International Trade and Security conducted a recent assessment to better target EXBS training and enforcement programs to where they are most needed. The CITS assessment is encouraging from the standpoint that many countries have progressed considerably in the implementation of effective export controls through the EXBS program. The evaluation will also enable us to assess short term and long term needs and provide for remedial programs to address those deficiencies. Currently a contract audit is underway to review the EXBS Programs in Kyrgyzstan, Kazakhstan and Uzbekistan. The Office of the Inspector General (OIG) is scheduled to conduct an inspection of the Bureau of Nonproliferation in May-June 2004.

Evidence: a. CITS FY 2003 Performance Results Report. b. OIG Inspection Schedule. c. Cotton & Company FY 2003 contract for EXBS Program audits in Kyrgyzstan, Kazakhstan and Uzbekistan d. FY 2004 GAO report on NADR

PART Performance Measurements

Program: Export Controls
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	80%	

Measure: Number of EXBS program countries meeting international standards for controls.

Additional Information:

Year	Target	Actual
2003	0	0
2004	3	
2005	5	
2006	7	
2007	9	

Measure Term: Annual

Measure: Cumulative number of EXBS program countries that have developed and instituted valid export control systems that meet international standards.

Additional Information: Countries with weak/nonexistent export control systems commit to strengthen those systems with U.S. assistance. Countries• export control systems meet international standards.

Year	Target	Actual
2003	0	0
2004	3	3
2005	8	
2006	11	

Measure Term: Annual

PROGRAM ID: 10002216

PART Performance Measurements

Program: Export Controls
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	80%	

Measure: Average cost reduction per training course

Additional Information: Use of the program's integrated support services contract is expected to yield increasing efficiencies through economies of scale and "off-the-shelf" training modules for EXBS program countries.

Measure Term: Annual

Year	Target	Actual
2003	TBD	
2004	-0.05	
2005	-0.07	
2006	-0.09	

PROGRAM ID: 10002216

PART Performance Measurements

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of educational and cultural exchange programs is to strengthen the international relations of the United States and develop peaceful, friendly and sympathetic relations between the people of the United States and other countries.

Evidence: 1. Fulbright-Hays Act; 2. Smith-Mundt Act; 3. Presidential Memorandum on International Education Policy dated April 19, 2000; 4. FY 2005 Performance Plan; 5. Partnerships for Peace and Freedom Brochure; 6. ECA Web Site http://www.exchanges.state.gov; 7. 2003 OIG inspection report BPP Evidence: A/S Statement: Goal Papers: PD.02 Goal Papers

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Exchanges are a critical component of U.S. diplomacy abroad directed at improving understanding of and support for U.S. policy, encouraging and empowering moderates, and discrediting intolerance. For example, exchanges offer a fuller picture of how religious, ethnic, and cultural tolerance are keys to a peaceful and prosperous community of nations, and open access to information that provides alternatives to learning extremism. Through ECA programs, men and women from all walks of life--journalists, students, religious leades, government officials--experience for themselves how democracy works and how they can be instruments of change within their own societies helping others realize their birthright of freedom. ECA exchanges create an expanding network of likeminded achievers around the world whose common bond is a belief in freedom and democracy.

Evidence: 4; 5; 8. public diplomacy website -www.publicdiplomacy.org -Multiple independent reports from variety of sources); 9. Pew Charitable Trust reports on attitudes toward the U.S. 10. Soft Power by Joseph Nye BPP Evidence: A/S Statement: Goal Papers: PD.02 Goal Papers; Access to Quality Education Goal Papers;

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: ECA is the only part of State that is charged to foster "mutual understanding" between the United States and other countries. ECA works primarily through the exchange of persons, not assistance programs. ECA is the only part of the Department mandated to represent the USG abroad in the fields of international education and culture. Studies by the Interagency Working Group on International Education and Training (IAWG), which includes representation by all government agencies, including State, who sponsor exchange programs, conclude there is no duplication with ECA exchanges by other Federal organizations.

Evidence: 1; 2; 11. Interagency Working Group on International Education and Training (IAWG) annual reports and specialized reports (www.iawg.gov). BPP Evidence: A/S Statement:

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%

Explanation: Given limited funding and expanding resource requirements,ECA must ensure that all programs are efficient and meeting targets effectively in order to address all program goals and needs. In its '03 inspection report,the OIG stated,"...the United States gets high value from the effective way ECA is managing exchange programs."Through continuous grant monitoring and independent program evaluation,ECA ensures that its exchange activities are free of major flaws.For its new programming efforts in NEA, SA, EAP and AF, ECA tailored successful program models (FLEX to YES; FSA Undergrad to PLUS).To improve administrative efficiency,FSA and SEED programs were consolidated into the exchanges account In 03, ECA contracted with Economic Systems Inc.,to determine if the Traditional Public-Private Partnership Program (TPPP) still met non-competition status or if a new model was needed.The report concluded the existing model was the most effective.In 04,ECA is evaluating the direct "swap" model of the Fulbright Teacher Exchange to determine if it more or less effective than one way exchange programs.

Evidence: 7; 12. TPPP Competition Evaluation Report; 13. 2004 OMB Passback Documents; 14. Fulbright Teacher Exchange Evaluation Design BPP Evidence: A/S Statement:

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: The ECE budget funds approximately 25,000 exchange participants per year. Target audiences are determined at the sub-program and project levels and participants are selected through a merit-based competition process or nomination and vetting process. ECA uses its efficiency measures to ensure that administrative costs are kept to a reasonable level to ensure majority of funding is used for participants and program costs. Generally, 75 to 80% of funds are used for direct program costs. Funding is provided to non-profit partner organizations responsible for supplying per diem, travel and other expenses directly for the participants. Grant organizations are audited to ensure proper fiduciary compliance with OMB standards. Funding levels are determined based on participant numbers and level of program activity. Funding and targeting data is maintained in Exchanges Statistical Management System database. Funds cannot be substituted for other activities.

Evidence: 15. ESMS database; 16. E-Grants database; 17. Grants process and procedures (grants handbook); 18. Grant agreements BPP Evidence: A/S Statement: Goal Papers:

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 13%

Explanation: ECA has partnered with a variety of performance measurement experts and adopted private sector practices to measure its long term goals. Measures include: a) percentage of participants who increase participation or responsibility in work, community or civil society within five years after the exchange experience; b) percent of participants who initiate or implement a positive change in their organization or community within five years of their exchange, based on knowledge gained from their exchange; c) percent who collaborate professionally with those met on their program more than five years after the exchange; and d) percent of participants who continue formal, sustainable institutional relationships (relationships would continue if participants left institutions) five or more years after the exchange. ECA measures goal attainment through independent program evaluation and US Embassy reporting.

Evidence: 4; 19. ECA logic model; 20. ECA Intermediate Outcomes List; 21. Standardized Questions List; 22. E-GOALS system documentation; 23. 2003 Performance and Accountability Report BPP Evidence: A/S Statement: Goal Papers: PD.02 Goal Papers

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 13%

Explanation: ECA has targets and timeframes set to established baselines and is improving its accuracy of measurement through online performance measurement.

Evidence: 4; 19; 20; 23 BPP Evidence: Goal Papers: PD.02 Goal Papers

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 13%

Explanation: ECA has annual perf. goals that demonstrate progress towards the overarching strategic goals.Annual perf. goals include:(1) the annual number of participants in key regions;(2)% of participants who increase or change their understanding of the host country immediately following their prog. experience measured through independent evaluation surveying;(3)% of private sector, foreign,&other USG funds generated for prog. use on an annual basis. Key program targeting (audience, program mix) happens at the sub-program level and by region. For example, youth and non-elites are the primary target for NEA, SA and EAP. Number of participants determines scope of program, and cost-sharing increases number of participants, size of program, quality of delivery. ECA measures goal attainment through grant reporting, on-line performance measurement system, reporting from US Embassies, and independent program evaluation. Annual data is also captured in Exchange Statistical Management System (ESMS).

Evidence: 4; 11; 15; 19; 20; 22; 23 BPP Evidence: A/S Statement: Goal Papers: PD.02 Goal Papers Other Goal Papers

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 13%

Explanation: ECA has targets and timeframes set to established baselines and is improving its accuracy of measurement through online performance measurement.

Evidence: 4; 11; 15; 19; 20; 22; 23 BPP Evidence: A/S Statement: Goal Papers:

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 13%

Explanation: The grants process ensures the commitment of partners to the annual and LT goals of the prog.Prior to any solicitation, Bureau prog offices work with the reg. bureaus and PA Staff at US Embassies to determine the scope and need for progs/projs.These discussions are then codified in the RFGP.When an applicant submits a proposal in response to an RFGP, the applicant must demonstrate how it will attain the goals for the prog, if awarded funding.The applicant also must submit an eval plan to demo how it will measure its perf. and prog. toward the annual and LT goals.The proposals are reviewed by US embassy staff and reg.bureau staff as well as by the prog staff.PAS staff at US embassies submit comments about proposals to the prog office.Regional bureaus attend the grant review panel.The vetting process for grants also includes review by the Assistant Secretary and a 15-day review by Capitol Hill.The prog office monitors the implementation of the grant through weekly or monthly phone calls.

Evidence: 17; 18; 21; 24. RFGPs; 25. RFGP evaluation language; 26. Grantee reports

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight:15%

Explanation: ECA uses independent professional evaluators, selected through a competitive process, to assess the impact and outcomes of its programs. A multi-year program evaluation plan is developed every three years and adjusted as necessary to ensure that each year an academic, professional, and citizen exchange program is evaluated.All major funding line items have been evaluated at least once and will be re-evaluated every five to seven years. Where feasible, ECA has used comparison groups to more accurately assess the impact of the particular program. ECA also requires grantee organizations to submit evaluation plans for each grant.Some grantee orgs hire independent evaluators as well.While the evaluations focus on the "brand name" program activity, all evaluations are done in country-specific context. Recent evaluations include: Community Connections, Freedom Support Act Undergrad, English Language Programs, and MEPI Student Leaders

Evidence: 23; 25; 27. ECA evaluation webpage; 28. ECA Paperwork Reducation Act Generic Clearance Request; 29. Evaluation Statement of Work; 30. Evaluation Schedule 31. Grantee evaluation proposal 32. Evaluation Reports (selected examples - US Fulbright Scholar, FSA Undergrad English Language Programs, ACYPL) BPP Evidence: A/S Statement: Goal Papers:

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:10%

Explanation: Budget requests directly tie to the accomplishment of annual goals and measures, particularly participant numbers.Funding or policy changes directly affect goal accomplishment.For example, without receiving current services, the Bureau is loses approximately 1000 participants.Another example is the Bureau is trying to engage 50,000 alumni through its alumni web site by 2006, raised from the current number of 8,400.W/o funding for expansion of content development and outreach, the Bureau will not attain this goal. All costs are accounted for in ECA's budget presentation, which includes program costs and exchanges support.For Congressional purposes,the budget is presented based on sub-program line item;however,the budget can be broken out to show the full costs for achieving goals by region and strategic goal.The budget presentation also notes key indicators.

Evidence: 33. Congressional Justification Document BPP Evidence: A/S Statement:

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: The OIG report notes the effective collaboration between ECA and posts in program planning as well as the use of evaluation data for strategic planning. ECA revised and sent planning guidance to the regional bureaus and posts for the MPP process and is collaborating through meetings and a resource request template to develop plans for 2006. Many of the changes result from ECA's application of the recommendations from OMB in its earlier PART for exchanges in NEA and SA to improve its strategic planning for all programs and regions. ECA is working with regional bureaus to develop a common list of critical institutions within regions for even more refined targeted programming.

Evidence: 4; 34. Resource request template; 35. 2006 MPP guidance cable; 36. Critical institution email BPP Evidence: A/S Statement: Goal Papers: Exchanges in NEA and SA (PART) Goal Paper - Milestones

PART Performance Measurements

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES   Question Weight: 10%

Explanation: ECA collects performance data through partner organization reporting, reports from U.S. embassies, and independent evaluations. Reporting from and surveying of participants and partners provides information for ECA managers to make program adjustments and improvements. Examples: International Vistors use a rating system of partner organizations, if organization is lowest on the list for two consecutive years, they can not bid on new grants. The IV Program used this data recently to work with a partner organization to improve its programming. The FSA Undergraduate evaluation demonstrated the need to change how the partners recruited and worked with community colleges as part of the program. Now the schools are screened differently and program quality and satisfaction have increased. Recommendations from evaluations and actions taken are reported annually in the Department's Performance Report.

Evidence: 23; 37. Grant reporting requirements survey matrix; Examples of the extensive performance information collection include: 38. International Visitor Program: National Program Agency Checklist; 39. International Visitor Program: Escort Interpreter Report; 40.• International Visitor Program: End of Project Survey; 41. International Visitor Program: Results Cable; 42. Fulbright Program: Participant Final Report; 43. Academic Programs: Final Grant Organization Report; 44. ACIE: Alumni Discovery Newsletter; 45. Citizen Exchange: End of Project Report; 46. Youth Exchange: Survey; 47. Youth Exchange: Bradley Herald; 48. Embassy Program comments; 49. FLEX Reporting Document List BPP Evidence: Goal Papers: PD.02 Goal Papers

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES   Question Weight: 10%

Explanation: Performance benchmarks for project/program managers were established in 1997. Managers must meet the benchmarks before being promoted. In the grant proposal review process, program managers must explain the performance of a program by the program partner in order to defend the proposal and secure new funding. All grant applications are reviewed for past performance or track record. Renewals are not allowed unless past performance has been demonstrated to be efficient and effective. In grant renewal cases, the proposal defense is put before a panel of senior bureau managers, who must determine as part of the decision-making process whether the program has encountered cost, schedule or performance results. All program partner organizations must submit program progress and financial statements. In order to provide a system of independent checking of grant performance, the program reports and the financial reports are sent both to the program manager and the grants/contracting staff

Evidence: 17; 24; 50. Program Manager benchmarks; 51. Grant Proposal Analysis Memo; 52. Panel Review Minutes; 53. Financial Statement Form; 54. Grant Closeout Document

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight:10%

Explanation: The Exchanges apporpriation is no-year money.The Bureau obligates 99% of the account annually for the intended purpose of its programs.Congress frequently directs the Bureau to expend unrestricted balances to the maximum extent possible on otherwise non-funded items in bills and conference reports. In terms of managing its funds to ensure that obligations are timely and spent for intended purposes, the Exchanges Bureau uses the A-133 audit process to audit grantees.ECA uses the HHS payment system in order to review funds before they are drawn down, and when there are questions about an organization's spending, the Bureau puts them on a reimbursable payment schedule.ECA's budget office distributes monthly status of funds reports to all middle and senior managers in the bureau.

Evidence: 53; 55. Status of funds report; 56. Grantee Audit Report

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight:10%

Explanation: ECA uses efficiency measures in its review of grant proposals, including cost-per-participant, the ratio of administration to program funds, and the ratio of cost-sharing to public funds. The grants coordination office uses measures on how timely its processing of grants is and has demonstrated improvement over last year. ECA is establishing an IT strategy and plan. It is refocusing websites to further its long-term goals to promote mutual understanding, and where appropriate to use websites and Internet connectivity to create linkages between US and foreign individuals and institutions, which allows the bureau to reach more people. ECA is using technology to reach an increasing number of alumni to keep them engaged with the U.S., and is delivering Academic Advising through an interactive website. IV partner web site to share best practices. Ariba buying system used for all purchases & contracts.

Evidence: 24; 51; 57. Grants office newsletter; 58. IT Business Plan Phase 1 Report; 59. ECA Technology Prioritization Committee Documents; 60. AMIDEAST Virtual Advising Documents; 61. ECA website strategy; 62. IV Partner website documents; 63. Ariba screenshots/information BPP Evidence: Goal Papers: Management Goal Papers.

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight:10%

Explanation: Nearly 100 percent of ECA's work is conducted through collaboration with over 100 non-profit partner organizations and 200 colleges and universities. Collaboration is managed and documented through cooperative assistance agreements. In an evaluation of the Traditional Public-Private Partnership Program, an independent contractor researched new "market opportunities" and competitors for professional exchange programs. All the selected organizations that met the criteria were already grantee partners for ECA. No other Federal or private exchange program shares the same primary purposes to promote mutual understanding, or aim to influence foreign publics regarding U.S. policies and interests as ECA exchanges. ECA coordinates its efforts with other federal organizations through joint policy committees and the Interagency Working Group on U.S. Government-Sponsored International Exchanges and Training (IAWG).

Evidence: 11; 12; 18; 24; 31; 64. MEPI Project Scope Document; 65. MEPI Evaluation Report BPP Evidence: A/S Statement: Goal Papers:

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight:10%

Explanation: The Bureau is now part of the Department's systems and submitted itself to an independent review of its financial practices in 1999.The accountant identified no fundamental weaknesses in the Bureau's financial management practices. The Bureau utilizes a number of means to ensure strong financial management practices. It has developed its cuff record system to check obligations against commitments. In addition, the Bureau employs a financial analyst who checks line-by-line obligations and commitments to ensure quality payment control. The bureau now uses Ariba buying system to prepare, track, and report on purchase orders and contracts. The 2003 OIG report found no material weaknesses with respect to financial management.

Evidence: 7; 63; 66. Financial review report (submitted to OMB 2002); 67. CMFS screen shots

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight:10%

Explanation: The 2003 OIG report found no material weaknesses. With its merger into the State Department in 1999, ECA has addressed a number of deficiencies identified earlier, including incompatible financial tracking systems (ECA is now on the Department's system), and has expanded its Exchanges Database (EDS) to include all program elements. EDS tracks exchange projects and participants from beginning to end. ECA also has an integrated E-Grants database tracking solicitations, proposals and grant awards, which prevents duplicate tracking of programs. The Executive Information System, which is a reporting tool that covers the EDS, has a null data feature that allows managers to know where data is missing or incorrect. A report using this feature is printed out each month.

Evidence: 7; 16; 67; 68. EIS screen shots; 69. EDS architecture description BPP Evidence: Goal Papers: Management goal papers

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?** Answer: YES Question Weight:10%

Explanation: One hundred percent of ECA's grant awards go through a merit-based review process. ECA annually reviews approximately 1,000 grant proposals and awards approximately 335 new grants. Approximately 10 percent are awarded to first time grantees. Competitions are announced publicly. ECA's E-Grants system is being considered as a model for the rest of the Department. ECA grants are also announced through the grants.gov .

Evidence: 16; 17; 24; 51; 52

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight:10%

Explanation: ECA has well-established reporting and tracking features in place. For financial tracking, obligations and modifications to grants are tracked through CFMS. Grantee organizations submit regular financial reports, which are reviewed by the program office and grants coordination office. The Bureau requires detailed interim and final reports from all grantees and conducts site visits by program managers as well as regular email and telephone communications between program managers and grantees. One hundred percent of ECA IV participants on group projects are debriefed through a standardized questionnaire, 100% of English specialists submit online reports using a standardized form. Nearly 100% of Fulbrighters submit final reports which are standardized. Grantee organizations are also required through the grants process to conduct an evaluation of all of the grant activities and results and submit an analysis to ECA. Grantees are subject to A-133 audits.

Evidence: 16; 17; 18; 26; 37; 43; 45; 53; 54; 56; 67; 70. English Language Reporting Form

PART Performance Measurements

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight:10%

Explanation: ECA regularly collects program and project performance data and makes it available to the public on its evaluation web page and via list serves as well as in its print and online newsletter, The Exchange. Grantee perf is contained within the eval reports.ECA encourages grantees to publicly post their results information.Most grantees including AMIDEAST and IREX post their results information on their website. IIE's web site (www.iie.org) contains"Notes from the Field" which allows Fulbrighters to post their experiences online. ECA also receives results information directly from participants via the In Their Own Words web site, where participants describe the results of their experience.

Evidence: 6; 22; 26; 27; 44; 47; 71. AMIDEAST web site: www.amideast.org,; 72. IREX web site: www.irex.org, 73. The Exchange Newsletter, 74. RESULTS database; 75. IIE website: www.iie.org; 76. In Their Own Words web site: http://speakout.state.gov; 77. CultureConnect website: http://cultureconnect.state.gov/

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight20%

Explanation: Although it may take several years for a particular exchange experience to demonstrate results, ECA through its use of private sector methodology is able to demonstrate progress toward its long-term goals. Independent evaluations demonstrate that ECA meets its goals with its target audiences and within different regions. ECA's performance measurement demonstrates it meets its long-term goals and targets. The OIG report confirms that the American taxpayer gets high value from exchange programs and their effective management.

Evidence: 4; 6; 7; 27; BPP Evidence: A/S Statement: Goal Papers: PD.02 Goal Papers

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: YES Question Weight25%

Explanation: ECA cannot achieve its annual goals without its partners and has demonstrated that it has either met or exceeded its annual goals.

Evidence: 4; 6; 22; 26; 27; 44; 47; 71; 72; 73; 74; 75; 76; 77 BPP Evidence: A/S Statement: Goal Papers: PD.02 Goal Papers

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: YES Question Weight20%

Explanation: ECA measures its efficiency at the sub-program level by reviewing Cost-per-Participant, Total Administrative to Program Ratio (Administrative Efficiency) and the time it takes to process its grants. ECA is meeting its efficiency goals and working to improve efficiency in these areas.

Evidence: 4; 16; 51; BPP Evidence: Goal Papers: PD.02 Goal Papers

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA Question Weight: 0%

Explanation: The Interagency Working Group for International Exchanges and Training (IAWG) in are report on performance measurement determined that it is too difficult to set common performance measures for exchange programs across the USG. The purposes of exchanges administered through private sources do not have the same goals. On the international front, ECA is conducting a joint evaluation with the British Council and Government to measure the effectiveness of teacher exchanges, which will be used to to look at comparability as well as feed into each organization's strategic planning. ECA is also consulting and advising Italian and Japanese exchange programs on how to measure effectiveness and has extended requests to Australia, Canada and Germany for like comparisons.

Evidence: 78. IAWG Performance Measures report; 79. Fulbright Teacher Exchange Evaluation SOW; 80. British Council Terms of Reference for Fulbright Teacher Exchange Evaluation

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: YES Question Weight35%

Explanation: 21completed independent evaluations and 5 internal management reports of functional programs worldwide conducted by 15 external evaluation organizations have concluded that ECA's exchange programs are effectively meeting goals and administered well. ECA currently has four other evaluations in draft, 10 on-going projects, and four additional projects to be launched in 2004.

Evidence: 27; 30; 32; 81. Evaluation Project List BPP Evidence: A/S Statement: Goal Papers: PD.02 Goal Papers

PART Performance Measurements

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

Measure: Percent of Administrative Costs in relation to Program Costs (Administrative Efficiency)

Additional Information: The efficiency measure assures that the highest percentage of funds go to direct program costs and program beneficiaries.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	35
2003		34
2004	33	
2005	32	
2006	32	
2007	31	

Measure: Percentage of exchange participants who report a more favorable view of the people of the United States within one year after their exchange experience.

Additional Information: Favorable view of the United States is one indicator of increased trust and willingness to maintain relations with the United States.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	92
2003		91
2004	92	
2005	93	
2006	93	
2007	94	

PROGRAM ID: 10002214

PART Performance Measurements

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

Measure: Percentage of exchange participants who initiate or implement a positive change in their organization or community within five years of their exchange, based on knowledge gained from their exchange.

Additional Information: Measure is an aggregate of multiple types of programs. Positive change includes items such as creating an NGO, revising or creating curriculum, drafting legislation, changing business practices, etc.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	0.76
2003		0.8
2004	0.8	
2005	0.8	
2006	0.8	
2007	0.82	

Measure: Percentage of participants who establish or continue professional collaborations more than five years after their exchange experience.

Additional Information: Eighty percentage of participants will continue professional collaborations with people in the United States more than five years after their exchange experience.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	81
2003		81
2004	80	
2005	80	
2006	81	
2007	81	

PART Performance Measurements

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

Measure: The number of foreign exchange participants by region.

Additional Information: Increase the number of foreign exchange participants in key regions, to reflect U.S. foreign policy objectives, commensurate with funding. Baseline AF;1,377; ERA/NIS 6,926; EAP 2,163; NEA 1,238;SA 706;WHA2,233; Total 25,183

Measure Term: Annual

Year	Target	Actual
2002	Baseline	TOTAL: 25,183
2003		
2004		
2005		
2006		
2007		

Measure: Percentage of exchange participants who express satisfaction with the exchange experience based on an average of several program factors: 1) administration; 2) content quality; 3) range of experiences; and 4) relevance of program to professional or academic field.

Additional Information: Ninety-five percent of exchange participants will remain satisfied with their exchange experience up to one year after the experience.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	94
2003		91
2004	94	94
2005	95	
2006	95	
2007	95	

PART Performance Measurements

Program: Global Educational and Cultural Exchanges
Agency: Department of State
Bureau: Bureau of Educational & Cultural Affairs
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	93%	

Measure: Percentage of participants who increased or changed their understanding of the United States immediately following their program.

Additional Information: Ninety-two percent of participants will increase or change their understanding of the United States immediately following their program.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	0.91
2003		0.89
2004	0.92	0.92
2005	0.93	
2006	0.93	
2007	0.94	

Measure: The percent of private sector, foreign, and other USG funds generated for ECA programs on an annual basis

Additional Information: Increase the percent of private sector, foreign, and other USG funds generated for ECA programs on an annual basis to 50 percent by 2010.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	0.59
2003		0.6
2004	0.45	0.45
2005	0.46	
2006	0.47	
2007	0.48	

PART Performance Measurements

Program: Humanitarian Demining
Agency: Department of State
Bureau: Bureau of Political-Military Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	87%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The U.S. Humanitarian Mine Action (HMA) program advances U.S foreign policy interests by relieving the human suffering caused by landmines and unexploded ordnance (UXO). The HMA strategic plan (2004) clearly links the efforts of the program to the Strategic Goals and Objectives put forth in the DoS-USAID Strategic Framework. PM's office of Weapons Removal and Abatement (PM/WRA), which manages the program has an established mission statement: "to develop policy options, implement destruction and mitigation programs and engage civil society in order to reduce the harmful world-wide effects generated by indiscriminately used, illicit and abandoned conventional weapons of war." The program has a set of eight defined, mine action specific, performance goals, which are enumerated in the strategic plan.

Evidence: a. HMA Strategic Plan, January 2004b. USG Humanitarian Mine Action Interagency Strategic Framework, 2003c. Annual Foreign Operations Appropriations Act

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: More than 60 countries have landmines on their territory, and there are estimates that the total number of buried landmines is 45 to 50 million worldwide. These landmines and UXO cause a reported 12,000-16,000 casualties annually, DoS issues a demining report every year that includes a country-by-country analysis of the current situation. In terms of U.S. foreign policy, humanitarian mine action supports US strategic objectives to advance sustainable development and global interests and to advance peace and security by providing a tool for humanitarian response and a means to promote regional stability. Each country plan includes a detailed description of the problem as experienced in that particular country.

Evidence: a. Department of State, "A Hidden Killers: The World's Landmine Problem," (2001) b. Department of State, "To Walk the Earth in Safety: The U.S. Commitment to Humanitarian Demining," September 2002c. Humanitarian Mine Action Strategic Plan, January 2004d. USG Humanitarian Mine Action Interagency Strategic Framework, 2003 e. Landmine Monitor Report, 2003. (Non-USG publication/analysis of problem)f. UN Mine Action Database (www.mineaction.org)g. Country Assessments for 2004

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: PM/WRA is the co-chair of the National Security Council's Policy Coordinating Committee's (PCC) Subgroup on HMA, which serves as the executive coordinating body for all USG HMA efforts. Other members include the NSC, DoD, USAID, CDC and CIA. Each agency engaged in HMA has its own role and particular responsibilities, as delineated by legislation and the USG HMA Interagency Strategic Framework, and that programs are designed to be complementary, not duplicative. For example, PM/WRA emphasizes reducing the threat of landmine and unexploded ordinance--a preventive measure. USAID's Leahy program focuses on survivor assistance, which is a corrective or rehabilitative measure. Additional avenues to guard against duplication include obtaining U.S. embassies and host nations input into the Country Plans. Also, PM/WRA participates in international coordinating bodies.

Evidence: a. Legislation: i. Foreign Assistance Act of 1961, as amended ii. Overseas Humanitarian, Disaster and Civic Aid (OHDACA)iii. Leahy War Victims Fund (LWVF)b. Humanitarian Mine Action Strategic Plan, January 2004 c. USG Humanitarian Mine Action Interagency Strategic Framework, 2003d. Annual Country Plan Requests, 2004e. UN Mine Action Support Group (MASG)

Program: Humanitarian Demining
Agency: Department of State
Bureau: Bureau of Political-Military Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	87%	

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?**

Answer: YES Question Weight:20%

Explanation: The PM/WRA HMA Strategic Plan creates a management framework for resource allocation decisions and establishes clear linkages between financial inputs and desired program outputs. It establishes a hierarchy of management goals and objectives, supported by clear country plans containing specific measures of performance.PM/WRA administers the program through one competitive, performance-based service contract and numerous grants. This duel contract/grant approach is more cost-effective and efficient, than implementation by the USG and superior results are attained.

Evidence: a. Humanitarian Mine Action Strategic Plan, January 2004b. Country Mine Action plansc. Terms of the Integrated Mine Action Support (IMAS) performance-based service contract. d. UN Mine Action Database (www.mineaction.org)

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?**

Answer: YES Question Weight:20%

Explanation: PM/WRA's HMA funds are allocated based on country plans as developed by program managers and approved by a review board. The board approves funding of country programs based on established criteria contained in the Humanitarian Mine Action Strategic Plan. These criteria include specific mine action performance goals to which country-specific objectives are tied and priority categories into which all HMA programs are placed. Future funding will require host countries to develop national HMA plans that contain goals and objectives, and will directly inform PM/WRA program managers' country plans for funding. Host countries will be expected to take ownership of the process and will target resources to ensure maximum benefit to reach end-state as defined by the program managers. Periodic on-site reviews by program managers further ensure that resources and activities are properly directed.

Evidence: a. Humanitarian Mine Action Strategic Plan, January 2004 b. HDP Policy and Procedures Manual (under revision)

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES Question Weight:13%

Explanation: The overall mission of PM/WRA's HMA program is "to implement destruction and mitigation programs and engage civil society in order to reduce the harmful worldwide effects generated by indiscriminately used, illicit and abandoned conventional weapons of war." To measure progress, PM/WRA has developed a long-term goal that incorporates both the humanitarian and training components of the HMA program. The goal's measure is the number of countries receiving U.S. assistance that have eliminated the most pressing humanitarian impacts and are able to sustain future operations with indigenous capacity and little or no external funding.

Evidence: a. Humanitarian Mine Action Strategic Plan, January 2004b. Bureau Performance Plan, FY 2006

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?**

Answer: YES Question Weight:13%

Explanation: PM/WRA's HMA program proposed to increase the number of mine-safe countries from 16 to 20 between 2004 and 2009.

Evidence: Bureau Performance Plan, FY 2006

PART Performance Measurements

Program: Humanitarian Demining
Agency: Department of State
Bureau: Bureau of Political-Military Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	87%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?**

Answer: YES   Question Weight: 13%

Explanation: The program has three specific, quantifiable, annual performance indicators that demonstrate progress toward achieving the long-term goal: (1) percentage of countries on track to develop host nation capacity, (2) percentage of countries on target to reduce landmine casualties, and (3) percentage of countries on target to clear specified amount of square meters of land. These performance indicators generally correspond to the first three mine action specific goals enumerated in the HMA Strategic Plan. This information will provide better data on success of USG-funded programs.

Evidence: a. Bureau Performance Plan, FY 2006b. Humanitarian Mine Action Strategic Plan, January 2004

2.4 **Does the program have baselines and ambitious targets for its annual measures?**

Answer: YES   Question Weight: 13%

Explanation: The program has ambitious targets for its annual measures. PM/WRA will rely on reports of cleared land for sponsored programs only. PM/WRA is in the process of determining a better way to collect information related to casualties and developing a better baseline against which future progress can be measured. Focusing on groups receiving U.S. funds for their humanitarian demining programs will give a more accurate assessment of PM/WRA's programs' achievements.

Evidence: a. Humanitarian Mine Action Strategic Plan, January 2004b. Bureau Performance Plan, FY 2006

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: YES   Question Weight: 13%

Explanation: Commitment to each country program's goals is maintained by both funding recipients and the host country. Both grantees and the performance-based service contractor are tasked to carry out long-term and annual program goals. The host country commits to the program by outlining the landmine problem in the annual country plan and the mine action goals and objectives used to target the problem with support from PM/WRA. Posts maintain host country accountability through semi-annual or annual progress reports. The reports are used by program managers to monitor the program, measure the progress of each country's HMA program, and assess the host country progress to the end-state.

Evidence: a. Terms of IMAS performance-based service contract supported by monthly and quarterly reportsb. Terms of grants awarded by PM/WRA, supported by quarterly reportsc. Annual Country Pland. Post humanitarian demining officers' semi-annual progress reports (available on DOS intranet)

Program:	Humanitarian Demining
Agency:	Department of State
Bureau:	Bureau of Political-Military Affairs
Type(s):	Direct Federal

Section Scores				**Rating**
1	2	3	4	Effective
100%	100%	100%	87%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 13%

Explanation: Four separate external audits and/or evaluations were conducted of the HMA program when it was administered by PM/WRA's predecessor office, PM/HDP. No significant deficiencies were uncovered, and PM/WRA remains committed to full and transparent disclosure of all its activities and procedures.

Evidence: a. OIG Reports: i. "Audit of Humanitarian Demining Program, 1999" ii."Review of Humanitarian Demining Program and Procurement Activities, 2000"iii. "Review of Allegations Regarding the Humanitarian Program's Contract for Integrated Mine action Services, 2003"b. Center for Procurement Excellence: "Review of the Integrated Mine Action Support Contract for the U.S. Department of State, Bureau of Political-Military Affairs, Office of Humanitarian Demining programs" (2002)

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: YES Question Weight: 13%

Explanation: Country plans developed by program managers are required to contain a country-specific end-state and one or more performance goal(s) and supporting objectives, as noted in the Humanitarian Mine Action Strategic Plan. The objectives will measure the programs' progress and hold them accountable for results. PM/WRA's management determines funding allocations and budget submissions based on country plans and the office's overall strategic plan. Funding allocations to meet country goals are reflected in the Congressional Budget Justification (CBJ) submitted to Congress.

Evidence: a. Humanitarian Mine Action Strategic Plan, January 2004b. Congressional Budget Justification for Foreign Operations, FY 2005c. Bureau Performance Plan, FY 2006d. Individual Country Plans

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?**

Answer: YES Question Weight: 13%

Explanation: PM/WRA has a new strategic plan for its HMA program. The plan lays out how resources must be linked to outcomes and contains mine action specific performance goals, one or more of which will be presented in the country plans. The goals, in turn, will be supported by one or more country-specific objectives, which will measure the program's progress and provide a method of accountability for program results. The new strategic plan also prioritizes the various country programs and functional programs funded by PM/WRA. Plans will make specific mention of the three performance indicators (1) host nation capacity building, (2) casualty rates, and (3) land clearance.

Evidence: a. Humanitarian Mine Action Strategic Plan, January 2004b. HDP Policy and Procedures Manual (under revision)

PART Performance Measurements

Program: Humanitarian Demining
Agency: Department of State
Bureau: Bureau of Political-Military Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	87%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES Question Weight: 14%

Explanation: PM/WRA staff uses the Decision Support Sytem (DSS) to collect and store information on country programs. Entries occur every 2-10 days during an activity and include financial data, contracts, and activity updates. Managers use the information to compare and contrast countries' progress and provide feedback to the countries. Annually, each country receiving demining assistance must submit an annual country plan through the U.S. embassy. The report demonstrates program accomplishments, organizational structure, and effectiveness in order to advocate for continued funding for the next year. Some countries/embassies submit semi-annual or bi-annual reports. PM/WRA grant recipients and the IMAS contractor are required to file quarterly progress and financial reports that are used to ensure the program is fulfilling its objectives and to plan corrective action, if necessary. Failure to submit required reports may result in withheld payments or deferred processing of new awards.

Evidence: a. Annual report component of the Annual Country Plan Requestb. Program Management Journal--component of the DSS (available on internal program website)c. Semi-annual report from individual embassies of beneficiary countriesd. IMAS contract monthly reports and grantees' quarterly reports e. Participation in the UN Mine Action Support Groupf. Cable to posts outlining information requirements, responsibilities, and reporting formats g. Sample Humanitarian De-mining Country Plan for the Republic of Azerbaijan (2003 & 2004)

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 14%

Explanation: Federal managers undergo annual individual job performance appraisals, which include an assessment of their ability to plan, execute operations, and manage contract task orders and grants. Program managers respond to grantees' quarterly reports and IMAS contract monthly written and quarterly oral reports, seek to correct problems as they arise, conduct regular site visits, and make recommendations for financial withholding when a country demonstrates lack of cooperation in resolving a problem. On the contractor/grantee level, PM/WRA complies with the laws regarding accountability through a component of the IMAS contract which states how the contractor's performance will be measured in terms of method and review schedule. The terms of the contract provide for disallowing payments for delays, increased costs, and poor peformance. Terms of a grant indicate cost, schedule, and performance accountabilities and reporting requirements.

Evidence: a. Terms of IMAS Contract: Government Surveillance Planb. IMAS Contract monthly reports and quarterly grant reports c. Sample grant document: Emergency Mine Action Response Project (Phase 2) -- North Iraqd. Government Performance and Results Act (GPRA) article: "IMAS Contract: A Demonstration in Successful Implementation of the GPRA Act)"e. Annual individual job performance standards and appraisalsf. HDP Policy and Procedures Manual, (under revision)

Program: Humanitarian Demining
Agency: Department of State
Bureau: Bureau of Political-Military Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	87%	

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?

Answer: YES — Question Weight: 14%

Explanation: In allocation requests, which are approved by an Under Secretary of State, PM/WRA notes intended spending levels and purposes at the country level and for global/cross-cutting/administrative items. Once funding is approved by the Under Secretary, PM/WRA requests funds be allotted to the bureau and a task order or grant is issued shortly thereafter, usually within 30 days. Within six months of the FY 2003 FOAA being signed into law, approximately 93% of PM/WRA's FY 2003 HMA program funds were obligated. The IMAS contract and all grants over $300,000 are required to be audited on annual basis by independent auditors for performance and financial management.

Evidence: a. Allocation and allotment requests b. Task orders and grantsc. Quarterly reports requirements of IMAS contract and grantsd. Independent audit reports of the IMAS contract and grants (over $300,000)

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES — Question Weight: 14%

Explanation: PM/WRA relies on the following mechanisms to improve program efficiency and cost effectiveness: 1) PM/WRA's competitive, performance-based service contract requires defining a service in terms of performance objectives and measurable outcomes and allows the contractor to determine how to most effectively meet those objectives. The contract provides incentive to the contractor to maximize performance and includes standards for determining whether performance outcomes have been met and procedures for when performance is below standard. 2) Formulating the BPP submission includes adjusting targets each year to reflect actual progress and increases program efficiency. 3) The DSS tool boosts program efficiency and effectiveness by allowing PM/WRA to review and assess information on initiatives. 4) Measures of Effectiveness are established for each country program and used to evaluate and strengthen the programs' effectiveness. The annual country plans from posts report progress on the measures.

Evidence: a. Reports from Technical Evaluation Panel and Cost Analysis Team during competition for initial IMAS contract (1999)b. HDP Policy and Procedures Manual (under revision)c. Decision Support System (available on internal program website)d. FGM Task Order for the Decision Support System

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES — Question Weight: 14%

Explanation: PM/WRA collaborates on the international, interagency, and civil society (in host nation) levels. Through participation in the PCC Subgroup on HMA, various mine action outreach initiatives, UN Mine Action Support Group, formulation of country plans, as well as numerous conferences and symposiums, PM/WRA effectively coordinates with related programs. The NADR FY 2004 allocation memos are cleared with others at DoS who have a stake in the program. Besides colloborating at the PCC Subgroup level, PM/WRA informally coordinates with USAID and DOD on HMA programs in specific countries on an as-needed basis. PM/WRA has MOUs with each of the American embassies that specify the roles and relationship of the Department and the embassy in managing the HMA programs. Our contractor sits on the International Mine Action Standards Review Board and Steering Group.

Evidence: a. PCC Subgroup on HMAb. NADR FY 2004 allocation memosc. Annual Country Pland. USAID: Leahy War Victims Funde. DOD: Office of Assistant Secretary- Office of Humanitarian Assistance and Landmine Policyf. MOUs with American embassiesg. UN Mine Action Support Group; IMAS Review Board and Steering Group Composition, Feb 2003

Program: Humanitarian Demining
Agency: Department of State
Bureau: Bureau of Political-Military Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	87%	

3.6 Does the program use strong financial management practices?

Answer: YES | Question Weight: 14%

Explanation: PM/WRA adheres to all Federal Acquisitions Regulations and the Federal Assistance Law, and uses sound business judgment/ best practices. Through the DSS and other spreadsheets, PM/WRA tracks funds from allocation through allotment and obligation to disbursement. The allotment of funds occurs after the approval of their allocation for a particular country or functional program is received. Obligations for the IMAS contract task orders are processed through the new ARIBA procurement system, which requires approval of funding for the task order by the Bureau's budget office. Payments are processed after the responsible program manager has certified the payment is correct and the budget office has certified that funds are available.

Evidence: a. Federal Acquisitions Regulations and Federal Assistance Law b. Decision Support Systemc. FY 2004 Funds Tracking and Monitoring spreadsheets

3.7 Has the program taken meaningful steps to address its management deficiencies?

Answer: YES | Question Weight: 14%

Explanation: During the past year, PM/WRA revised its entire planning and resource allocation methodology. A new strategic plan now guides how the office will prioritize the allocation of resources as well as process country plans, which are now presented to a review board for funding approval. Reporting requirements for recipients are being changed to allow funding to be associated with measurable outputs. This information will be factored into the annual formal review of country plans.In response to a 2003 OIG report, PM/WRA addressed the seven recommendations satisfactorily, and the report was closed.

Evidence: a. Humanitarian Mine Action Strategic Plan, January 2004b. OIG Reports: "Review of Allegations Regarding the Humanitarian Program's contract for Integrated Mine action Services (2003)"c. PM response to OIG 2003 report

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?

Answer: LARGE EXTENT | Question Weight: 20%

Explanation: As part of strategic review, PM/WRA is establishing objective criteria on when end state will be reached for countries receiving assistance. As part of this process some countries' end-state dates have been revised to more accurately reflect projected goal accomplishments.

Evidence: Bureau Performance Plan, FY 2006

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: YES | Question Weight: 20%

Explanation: PM/WRA is on target for the number of square meters of land cleared and restored to productive use for FY 2003 and on target for the FY 2003 annual casualty reduction. While exact and complete data is not yet available, early indications are that targets for annual performance goals regarding land clearance and casualty figures will be met. PM/WRA has developed a third annual performance goal to ensure countries are on track to develop an indigenous HMA capacity.

Evidence: Bureau Performance Plan, FY 2006

Program: Humanitarian Demining
Agency: Department of State
Bureau: Bureau of Political-Military Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	87%	

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: YES — Question Weight 20%

Explanation: 1) PM/WRA's experience with the current IMAS contract which requires defining performance objectives and measurable outcomes, rather than direct performance processes, and having the contractor determine how to meet those objectives has resulted in cost savings. PM/WRA was the first office in the Department of State to implement a performance based contract, which resulted in two recommendations for Hammer Awards. 2) The DSS tool has made program management more efficient by allowing PM/WRA staff to track, query and report on all program activity. It guards against critical information falling through the cracks, which could lead to program ineffectiveness. 3) PM/WRA and its contractor pioneered a multi-functional "toolbox" approach to mine clearance, resulting in increased efficiency. 4) As nations approach and reach sustainment, there is a decrease in funding needed. By emphasizing the development of local capacity, the program reduces ex-patriate support, directly decreasing costs.

Evidence: a. Terms of IMAS contractb. FY 2006 Bureau Performance Plan c. Independent audit reports of IMAS contract and grants (over $300,000)d. HDP Policy and Procedures Manual (under revision)e. Decision Support System (available on internal program website)f. U.S. Demining Program Funding History (FY 1993-2002)g. FGM Task Order for the Decision Support System h. Landmine Monitor Report 2002i. UN Mine Action Servicej.The Vice-President's Hammer Award is reserved for teams of pioneers who create an innovative and unique process or program to make government work better and achieve results Americans care about.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: YES — Question Weight 20%

Explanation: The mine action efforts of the United Nations family of agencies, when taken collectively, are the only mine action effort of similar scope and size. The PM/WRA program enjoys greater unity of purpose and the single service contract offers PM/WRA a clear advantage in cost-savings, timeliness, and efficiency. Additionally, by placing greater focus on host-nation ownership, PM/WRA's approach lowers long-term costs and increases likelihood of indigenous sustainment.

Evidence: a. UN Mine Action Service International Mine Action Standardsb. Humanitarian Mine Action Strategic Plan, January 2004

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: LARGE EXTENT — Question Weight 20%

Explanation: In FY 2004, GAO reviewed all NADR programs for adherence to legislative requirements, including the humanitarian mine action program. They plan subsequent reviews (dates not yet set), which will include determining whether national security goals have been incorporated into program budget planning, the extent of coordination between similar USG programs, and the effectiveness of NADR programs. Current external reviews include senior office management and WAE doing site visits. Also, in Cambodia, a sub-grantee performed a quality assurance review of the humanitarian mine action program there. The intent is to augment this review process in the future with contractual resources.

Evidence: a. GAO Report, "Review of the State Department's Non-proliferation, Anti-Terrorism, Demining, and Related Programs Account," GAO-04-521

PART Performance Measurements

Program: Humanitarian Demining
Agency: Department of State
Bureau: Bureau of Political-Military Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	87%	

Measure: Number of countries receiving U.S. Humanitarian Mine Action assistance that eliminated the most pressing humanitarian impacts and are able to sustain future operations with indigenous capacity and little external funding.

Additional Information: Sustainment is defined as the ability of the country to address any residual mine action required to reach mine-safe status with little to no external funding. The specific characteristics of sustainment will be different for each country.

Measure Term: Long-term

Year	Target	Actual
2002	12	9
2003	13	12
2004	15	
2005	17	
2006	17	
2007	19	

Measure: Percentage of countries supported by PM/WRA's program meeting their respective targets for capacity building as defined in their respective country plans

Additional Information: Capacity development is defined as those measures taken to ensure that a country has the management, training, and operational structures (along with equipment, manpower, and facilities) required to assess and prioritize mine action needs, and plan, allocate resources, and execute appropriate mine actions across the full spectrum of activities needed for the country to reach mine-safe status.

Measure Term: Annual

Year	Target	Actual
2002	N/A	
2003	N/A	
2004	75%	
2005	80%	
2006	85%	
2007	90%	

PART Performance Measurements

Program: Humanitarian Demining
Agency: Department of State
Bureau: Bureau of Political-Military Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	87%	

Measure: Percentage of countries supported by PM/WRA's program meeting their target for casualty reduction figures as defined in the country plans

Additional Information: Measure was changed to more accurately gauge the program's performance as defined by annual objectives and goals enumerated in the country plans

Measure Term: Annual

Year	Target	Actual
2003	85%	above target
2004	85%	
2005	85%	
2006	85%	
2007	90%	

Measure: Percentage of countries supported by PM/WRA's program meeting their target for square meters cleared as defined in the country plan

Additional Information: Measure was changed to more accurately gauge the program's performance as defined by annual objectives and goals enumerated in the country plans

Measure Term: Annual

Year	Target	Actual
2003	85%	on target
2004	85%	
2005	85%	
2006	85%	
2007	90%	

PROGRAM ID: 10001103

PART Performance Measurements

Program: Humanitarian Demining
Agency: Department of State
Bureau: Bureau of Political-Military Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	87%	

Measure: Ratio of Countries Reaching Sustainment/Cumulative Budget Authority in millions

Additional Information: This ratio measures the efficiency of the humanitarian demining program over time due to more efficient execution and the larger demining problems are addressed.F34+F44

Measure Term: Annual

Year	Target	Actual
2003	3.7	
2004	3.8	
2005	3.5	
2006	3.2	
2007	2.8	

PART Performance Measurements

Program: Humanitarian Migrants to Israel

Agency: Department of State

Bureau: Bureau of Population, Refugees, and Migration

Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

1.1 **Is the program purpose clear?** Answer: YES Question Weight20%

Explanation: The purpose of the program can be stated clearly, "to provide assistance for the resettlement in Israel of humanitarian migrants from the former Soviet Union, countries in Eastern Europe, Africa and the Near East, and other countries of distress."

Evidence: a. United Israel Appeal Proposal for 2004 b. Federal Assistance Award to UIA for 2004 c. Policy and Program Review Committee: FY2004 Regional Policy Paper and Implementation Plan for the Grant to the United Israel Appeal d. Report of United Israel Appeal for the Period Ending March 30, 2003 e. Report of United Israel Appeal for the Period Ending September 30, 2003 f. Foreign Operations Act, FY2004 (PL108-7) g. FY2004 Foreign Operations Appropriations Act Conference Report Language h. FY2005 Bureau Performance Plan Goal Paper

1.2 **Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight20%

Explanation: Despite significant declines in migrant numbers since 1991, there continues to be a need for this program because Jews in many countries of the former Soviet Union (FSU), countries in Eastern Europe, Africa and the Near East, and other countries of distress continue to face anti-Semitism and risks to their safety. This program allows resettlement to Israel and the relative safety of an environment where their religion and ethnicity are in the majority.

Evidence: a. United Israel Appeal Immigration and Funding Chart b. (I.1.a), c. (I.1.c), d. (I.1.d), e. (I.1.e), f. (I.1.f)

1.3 **Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight20%

Explanation: There are no other Federal, state or local programs that are similar to this program. The U.S. contribution is one piece of the overall program of the Jewish Agency for Israel, the only organization with a resettlement program in Israel. Since JAFI also receives other contributions, the Federal contribution is not necessarily "unique," however, neither is it redundant nor duplicative.

Evidence: a. (I.1.a) b. (I.1.b) c. (I.1.c) d. (I.1.d) e. (I.1.e) f. (I.1.f) g. (I.1.g)

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight20%

Explanation: Yearly monitoring and periodic evaluations have shown that the program is meeting its goal of integrating new immigrants into Israeli society and has no major flaws that limit effectiveness.

Evidence: a. (I.1.a) b. (I.1.b) c. (I.1.c) d. (I.1.f)

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight20%

Explanation: Program beneficiaries are identified through a network of over 30 offices in countries of distress and Israel. Participation in this program is voluntary and outreach is designed to inform prospective immigrants of the types of support available from the grant. Screening is conducted by professional staff throughout the countries of distress to ensure persons qualify for the right to emigrate to Israel with program support. Program staff in Israel conduct vigorous monitoring of new immigrants to ensure assistance reaches immigrants within the context of the program.

Evidence: a. (I.1.a) b. (I.1.b) c. (I.1.c) d. (I.1.d) e. (I.1.e)

PART Performance Measurements

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**
Answer: YES
Question Weight: 13%

Explanation: The program goal focuses on outcomes and meaningfully reflects the purpose of the program. The program's long term goal is: Humanitarian migrants become self-sufficient members of Israeli society within the two years of grant support. While the program seeks to achieve this goal for all humanitarian migrants, measure of the program's long-term goal of self-sufficiency centers on Ethiopian migrants, who are by far the most vulnerable sub-group of humanitarian migrants and serve as a marker for the program's progress as a whole.

Evidence: a. (I.1.a) b. (I.1.b) c. (I.1.c) d. (I.1.d) e. (I.1.e)

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?**
Answer: YES
Question Weight: 13%

Explanation: The program's goal is to accomplish its mission of integrating immigrants into Israeli society within a two-year period from arrival in Israel. Many immigrants arrive with little or no Hebrew language skills and without support mechanisms in Israel. The program's targets to reduce the length of stay in transitional housing, increase the level of language learning, and achieve high levels of vocational training are ambitious in both scope and the level of achievement. In particular, the reduction in the time spent in absorption centers indicates an improved programmatic capacity to integrate humanitarian migrants and transfer skills to migrants needed to achieve self-sufficiency. The program has targeted a 2% reduction in time/cost per annum through FY 2007 for the average stay of humanitarian migrants from different demographic groups.

Evidence: a. (I.1.a) b. (I.1.b) c. (I.1.c) d. (I.1.f)

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?**
Answer: YES
Question Weight: 13%

Explanation: The program has short-term goals (STGs) for five of the six services components funded by the grant. These STGs were finalized between State Department and UIA at the end of the 2003 grant year. These STGs support the long-term goal. STG 1: Maintain or reduce migrants' average stay in absorption centers STG 2: All migrants are provided mandatory services and are satisfied with these services. STG 3: Enable Hebrew language participants to advance a full learning level STG 4: High school students under the program earn a matriculation certificate upon completion of the program. STG 5: Humanitarian migrants learn vocational skills that aid them to secure employment in Israel. All of the short-term annual goals support the long-term goal of migrants achieving self-sufficiency within a two-year period.

Evidence: a. (I.1.a) c. (I.1.c) d. (I.1.d) e. (I.1.e)

2.4 **Does the program have baselines and ambitious targets for its annual measures?**
Answer: YES
Question Weight: 13%

Explanation: The program includes both baselines and ambitious targets that continue to be developed with new performance measures. The institution of quantitative data is a recent development for UIA, owing in large measure to the PART process. As more data becomes available with the tracking of these indicators, PRM and UIA will collaborate closely to establish future targets that encourage improved performance and results.

Evidence: a. (I.1.a) b. (I.1.b) c. (I.1.d) d. (I.1.e) e. (I.1.h)

PART Performance Measurements

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: YES Question Weight: 13%

Explanation: The grant agreement and final report for grant year 2003 include the long and short-term goals and indicators to measure performance. The work done over the past two years by the grantee and the USG to set these goals and measures, regular monitoring visits, communications on grantee performance, and annual reporting indicate that all partners are committed to program goals.

Evidence: a. (I.1.a) b. (I.1.b) c. (I.1.c) d. (I.1.d) e. (I.1.e)

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 13%

Explanation: During grant year 2003 UIA commissioned an independent evaluation of program areas A-1, A-2, and A-3. A leading, independent consulting firm in Israel was engaged to survey recent arrivals and measure their satisfaction with services provided under these three program areas. Results of the survey are given in the 2003 final report and are being used to establish baselines, targets and institute program improvements. UIA has agreed to conduct this independent evaluation annually and expand its scope to other program areas. The program is considering expanding this survey to cover STG 4, 5, and 7 in the future. The State Department's IG released a comprehensive report in 1995 which highlighted management issues and made recommendations for improvement. PRM instituted a number of management changes in response to these recommendations.

Evidence: a. (II.5.a.) U.S. Department of State, Office of Inspector General, Report of Audit: Refugee Assistance: Grant Agreement Between the U.S. Government and the United Israel Appeal, Inc. (February 1995) b. (II.5.b.) Interim Report: Status of Compliance with the OIG Audit of the Grant to the United Israel Appeal (July 1996) c. (I.1.e.) d (II.5.c.) Selection of findings from survey

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO Question Weight: 13%

Explanation: Budget requests correspond directly to each of the program areas and their associated goals. Resource needs, including those covered by non-USG funding, are delineated in the grant proposal and USG assistance award. Adjustments in budgeting between program areas (A-1 through A-7) have been made over the past two years to reflect greater focus on vocational training for less-advantaged immigrants and the reductions in overall migration supported by the grant. UIA now incorporates PART and its related measures into their requests and reporting, more clearly linking performance against mutually established goals and requests for funding. PRM's budget request reflects a specific level of burden sharing among international donors, which attempt to provide consistent resources to UIA to achieve performance goals in each of the program areas. However, the State Department's budget request for this program does not directly link resources to performance goals.

Evidence: a. (I.1.a) b. (I.1.b) c. (I.1.d) d. (I.1.e)

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: Over the past three years PRM has worked with UIA to set performance measurements for each facet of the program and now includes these requirements in the grant. Performance measures developed by UIA and PRM program managers are used in the program's monitoring and evaluation, ensuring that program resources are more effectively allocated to address program deficiencies and directing the program's continued development. Inculcation of these management tools is demonstrated in the program's proposals and reporting, which directly reference PART measurement indicators. PRM staff work regularly with UIA to further develop these monitoring and evaluation tools in response to completed objectives and program needs. Further, PRM instituted and conducts regular monitoring visits to UIA offices and programs in sending countries as well as in Israel.

Evidence: a. (II.7.a) United Israel Appeal Proposal for 2003 b. (II.7.b.) Federal Assistance Award to UIA for 2003 c. (II.7.c.) Policy and Program Review Committee: FY2003 Regional Policy Paper and Implementation Plan for the Grant to the United Israel Appeal d. (II.7.d) UIA Monitoring Trip Report of February 17-19, 2004 e. (II.7.e.) PRM to UIA Correspondence of February 23, 2004 f. (I.1.a) g. (I.1.b) h. (I.1.c) i. (I.1.d) j. (I.1.e)

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight:13%

Explanation: Performance goals and indicators were finalized for each of the six program areas at the end of grant year 2003 and are being used by grant managers to improve performance. In one example, a survey of recent arrivals indicated 5% of migrants did not know they had received their relocation allowance. UIA is following up to ensure the allowance was received and to improve information going to migrants to ensure they fully understand program benefits. A February 2004 monitoring trip by the Federal manager collected current performance information that is being used to strengthen program reporting and improve performance.

Evidence: a. (I.1.a) b. (I.1.b) c. (I.1.c) d. (I.1.d) e. (I.1.e) f. (II.7.d.) g. (II.7.e.)

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:13%

Explanation: Program managers at the State Department are rated on their ability to seek results from partners. The Bureau has worked closely with the United Israel Appeal to institute financial and accounting reforms to the grant and formulate performance measures in the grant agreement. There would be a negative impact (less funding) on the UIA for poor performance or high costs. In addition, the program partner evaluates its staff based on their efforts to achieve goals.

Evidence: a. Job Elements, b. Supervisory Foreign Affairs Officer Paper c. (I.1.a) d. (I.1.b) e. (I.1.c) f. (I.1.d) g. (I.1.e) h. (I.1.h.)

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 13%

Explanation: Funds are obligated soon after the appropriations bill is enacted. The United Israel Appeal submits twice-yearly reports on the U.S. grant and also has a compliance audit conducted yearly. These documents show that funds are being spent for the intended purpose.

Evidence: a. (I.1.b) b. (I.1.d) c. (I.1.e) d. (II.7.b.) e. (II.7.c.)

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight: 13%

Explanation: The program has procedures in place to measure and achieve efficiencies in new migrant housing and language learning. The program's efficiency measure is "the reduction in time migrants from the former Sovient Union (FSU) stay at absorption centers, thereby reducing costs." In 2003 the average stay in an absorption center (migrant housing) for FSU migrants was 183.3 days at a cost of $2,487. In 2004 UIA will reduce costs by at least 2% to $2,437 by facilitating earlier movement for FSU migrants from UIA funded housing to permanent housing supplied outside of the program. Midway through FY 2004, UIA reports average costs have been reduced by 2.95%. An additional 2% cost reduction is planned for FY2005 for migrants from the FSU. Also, while holding language learning costs constant at $18/trainee/month for 2003-2005, the percentage of Hebrew language trainees from the FSU or who advance a learning level in 2005 is expected to increase 6% and for Ethiopian trainees by 8% in 2004.

Evidence: a. (I.1.a) b. (I.1.b) c. (I.1.h)

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: NA Question Weight: 0%

Explanation: There are no similar government or private programs.

Evidence:

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight: 13%

Explanation: UIA uses an independent auditor to establish appropriate costs for the A-4 and A-5 components of this program. UIA also conducts an independent audit of the US grant on an annual basis. PRM's Comptroller reviews UIA's quarterly Federal Cash Transaction reports, biannual grant reports, and OMB Circular A-133 audit reports to ensure compliance with the terms of the agreement.

Evidence: a. Federal Cash Transaction Reports from UIA (SF 272) b. UIA Audit Report June 30, 2003 (OMB Circular A-133) c. (I.1.a) d. (I.1.b.) e. (I.1.d) f. (I.1.e)

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 13%

Explanation: Over the past three years PRM has worked with UIA to set performance measurements for each facet of the program and now includes these requirements in the grant. PRM instituted and conducts regular monitoring visits to UIA offices and programs in sending countries as well as in Israel. Based on the results of the comprehensive OIG audit and regular internal reviews, PRM has taken many steps to institute strategic planning and management improvements, including establishing a per capita cost factor for programs A-1, A-2, and A-3, abolishing the shipment of personal effects, setting time limits on provision of housing and training and informing participants of the mandatory services they are entitled to and upon their receipt.

Evidence: a. (I.1.a) b. (I.1.b.) c. (I.1.c.) d. (I.1.d.) e. (I.1.e.) f. (II.5.a.) g. (II.5.b) h. (II.7.d.) i. (II.7.e.)

3.BF1 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 13%

Explanation: PRM program officers complete a week-long, standardized monitoring and evaluation course to enhance review capacity and contribute to strong program oversight. The grant agreement requires two general reports and a number of program-specific reports. These reports provide information as to how U.S. funds are being spent and how quickly. The reports also provide data on how well the programs are working (vs. the baseline established in the grant agreement). Grant-specific site visits are conducted once a year, however, the Refugee Coordinator in Amman and other Bureau staff also conduct site visits when time permits or travel brings them to the region.

Evidence: a. (I.1.a) b. (I.1.b) c. (I.1.c) d. (I.1.d) e. (I.1.e) f. (II.7.b) g. (II.7.c) h. (II.7.d) i. (II.7.e) j. PRM M&E Supplementary Explanation (5/26/04)

3.BF2 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 13%

Explanation: The Department of State collects performance data from the United Israel Appeals bi-annual reports and monitoring visits. UIA reports are posted on the PRM public access web site.

Evidence: a. State Department/PRM web site (www.state.gov/g/prm)

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight: 25%

Explanation: UIA and PRM have effectively established a measure for the long-term goal in FY 2004. Data from past years, to be used as the baseline for future targets, shows significant progress in achieving the long-term goal. For Ethiopian migrants, the percentage of households leaving absorption centers in 24 months has increased from 0.1% in 2002, to 4.8% in 2003, and to 12.4% in 2004, a significant gain. Even more impressive, the percentage of households that leave absorption centers in 24 months for migrants from the FSU has increased from 0.1% in 2002 to 13.1% in 2003, and to 63.8% in 2004. Performance against annual targets in 2003 also demonstrates that the program is meeting its long-term goal of integration and self-sufficiency in a two-year period. Humanitarian migrants continue to receive all of the mandatory services that they are entitled to and the program consistently achieves its targets for high school or equivalency matriculation and vocational training completion rates.

Evidence: a. (I.1.b) b. (I.1.h)

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight25%

Explanation: In FY 2003, the program was developing baselines and targets for its annual goals. Since then, the program has met or exceeded FY 2003 targets for most of these and is on target to achieve all FY 2004 annual goals. STG 1: Absorption stay ' In FY 2004 the program has achieved a 2.95% avg. time/cost reduction. STG 2: Services ' In FY 2003, 100% of migrants received all mandatory services, satisfaction ranged from 87%-91%. STG 3: Language ' In FY 2002, 94% of 17,000 participants advanced a full grade level. Disaggregated data for FY 2004 is expected 06/04; informal reporting indicates the program is on target. STG 4: High school ' 83% average matriculation rate in FY 2002-2003, against 80% goal; 86% expected in FY 2004. STG 5: Vocations' 97% and 96% completed % pre-vocational training respectively. In FY 2004, 93% completed vocational training programs overall. STG 6: Measurable goals ' In FY 2004, the grant agreement was finalized with measurable objectives for each project.

Evidence: a. (I.1.d) b. (I.1.e) c. GSAR 2004 d. Appendix to GSAR 2004

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: YES Question Weight25%

Explanation: Cost effective procedures were put into place to limit grant spending for transitional housing and training and efficiencies have been achieved by purchasing of bulk airline tickets for migrant travel and by paying a relocation allowance in lieu of the shipment of personal effects. In developing its new efficiency measure, UIA recently set targets to further decrease housing costs for migrants by 2% in 2004 and another 2% in 2005. UIA is on track to achieving its FY 2004 goal of a 2% cost reduction. UIA has also set targets to accelerate Hebrew language learning while holding costs steady, and is on track to doing so, with 6% more Ethiopian language trainees anticipated to advance a full grade level than did so in FY 2003.

Evidence: a. (I.1.d.) b. (I.1.e.) c. (II.7.a) d. (II.7.b) e. (II.7.c.)

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: There are no similar government or private programs.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: YES Question Weight25%

Explanation: In FY 2003 UIA commissioned an independent consulting firm to evaluate of program areas A-1, A-2, and A-3. Survey results showed that over 87% of program beneficiaries were satisfied with program services. PRM monitoring confirms that the program is reaching migrant beneficiaries. The survey indicates that the quality of services provided under A-1, A-2, and A-3 is sufficient to meet the satisfaction and expectations of humanitarian migrants. Pre-departure services, transportation, and the relocation allowances all contribute to enabling migrants to assimilate and live a life of dignity in Israel, which the overall program goal. The fact that migrants are on the whole satisfied with services provided by the program, supports other evidence that the program is achieving its intended results. From FY 2004 and onwards, the survey will cover all program areas.

Evidence: a. (I.1.e.) b. (I.1.h.) c. (II.5.a) d. (II.5.b.) e. (II.5.c.) f. (II.7.d.) g. (II.7.e.)

PART Performance Measurements

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

Measure:

Additional Information:

Year	Target	Actual	Measure Term:

Measure: Average cost per migrant. Goal is to reduce time migrants stay at absorption centers, thereby reducing cost.

Additional Information:

Year	Target	Actual	Measure Term: Annual
2003	Baseline	$2487.40	
2004	$2438		
2005	$2388		
2006	$2340		
2007	$2293		

Measure: The percentage of Ethiopian humanitarian migrant households that leave absorption centers within a period of 24 months, where Ethiopian humanitarian migrants represent the most vulnerable sub-group under the program.

Additional Information: Humanitarian migrants become self-sufficient members of Israeli society within the two years of grant support.

Year	Target	Actual	Measure Term: Long-term
2002	Baseline	4.8%	
2003		12.4%	
2004	15%		
2005	20%		

Program: Humanitarian Migrants to Israel
Agency: Department of State
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Type(s): Block/Formula Grant

Section Scores				Rating
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100%	88%	100%	84%	

2006	25%	
2007	30%	

Measure: Percentage of humanitarian migrants receive mandatory services and percentage who are satisfied with these services. (Mandatory services include a plane ticket and pre-depature counseling.)

Additional Information: Availability and quality of mandatory services to eligible humanitarian migrants. Mandatory services are defined as care and processing en route, transport to Israel, and relocation allowance.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	100%, NA
2003		100% , avg. 89%
2004	100%, 85%	
2005	100%, 85%	
2006	100%, 85%	
2007	100%, 90%	

Measure: Humanitarian migrants are provided with effective Hebrew language training.

Additional Information: Enable Hebrew language participants to advance a full learning level. Target measures percentage of trainees from Newly Independent States that advance a full grade level in five months and the percentage of trainees from Ethiopia that advance a full grade level in ten months.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	94% overall
2003		
2004	85%, 70%	
2005	90%, 75%	
2006	90%, 75%	

2007	90%, 75%

Measure: Percentage of high school students under the program who earn a matriculation certificate upon completion of the program.

Additional Information: Unaccompanied minors participating in the program are expected to matriculate from high school. The Ministry of Education and the Ministry of Immigration and Absorption have collaborated with UIA and JAFI on setting a target of 80%.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	85%
2003		83%
2004	80%	86%
2005	80%	
2006	80%	
2007	80%	

Measure: Humanitarian migrants learn vocational skills that aid their employment in Israel (measured by percentage of Ethiopians completing vocational training).

Additional Information: Humanitarian migrants to Israel are provided with effective vocational training.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	No data
2003		0.96
2004	0.95	96.4% to date
2005	0.95	
2006	0.95	
2007	0.95	

PART Performance Measurements

Program: Humanitarian Migrants to Israel
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	84%	

Measure: Measureable program goals developed and implemented (number of programs with measurable goals).

Additional Information: Service providers to humanitarian migrants develop measurable objectives to ensure effective and efficient use of grant funds.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	3 of 6
2003		6 of 6
2004	6 of 6	6 of 6
2005	Discontinued	
2006	N/A	
2007	N/A	

PART Performance Measurements

Program: International Fisheries Commissions

Agency: Department of State

Bureau: Oceans and International Environmental & Scientific Af.

Type(s): Block/Formula Grant

Section Scores				**Rating**
1	2	3	4	Adequate
80%	68%	78%	42%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of the State Department's International Fisheries Commissions program is to lead and coordinate U.S. input to the ten international fisheries commissions and organizations to which the U.S. belongs. Within these commissions the State Department advances U.S. interests including freedom of navigation, protecting of economic interests (fishing rights) and the well being of coastal communities, and environmental/habitat protection. The purpose of each commission, which the U.S. supports, is to facilitate international cooperation to achieve the conservation of the target living marine resources and/or sustainable use of fish populations. The ten multilateral and bilateral fisheries commissions also oversee the allocation of fishing rights to the U.S. and other members. Funding for the U.S. assessments and shares of operating expenses for the international fisheries commissions are funded by the State Department International Fisheries appropriation account.

Evidence: Evidence stating the purposed of the commissions and the U.S. interests in participating in them is set out in treaty texts and U.S. law. Most of the commissions were established by treaties that the United States negotiated and ratified to protect its economic and environmental interests. The main functions of each organization are described in its treaty. U.S. law implementing the treaties defines the State Department's mission as well. The bulk of U.S. funding goes to four commissions, approximately 95 percent of the appropriated funds (Inter-American Tropical Tuna Commission, Great Lakes Fishery Commission, Pacific Salmon Commission, and Inter Pacific Halibut Commission). Treaties and Agreements Establishing Commissions. Relevant U.S. implementing legislation. ff. Interagency guidance document on the Department of State's responsibilities concerning oceans and marine resources;

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Each fisheries commission was created to address a specific need to manage and sustain the target fish stock and to protect the economic interests of its members. The Food and Agriculture Organization of the United Nations estimates that 75% of the world's commercial fish stocks are being fished at or beyond sustainable levels. International law requires that countries who exploit shared fisheries resources must cooperate directly or through regional organizations to manage them. Effective study and conservation of other parts of the marine environment affected by fishing can also only happen through international cooperation. Each component commission grew from the recognition of a specific need for cooperative management or scientific collaboration; new agreements were then negotiated with relevant nations, submitted to the Senate for advice and consent, and ratified. The oldest agreement, the IPHC, was formed in 1924 to reverse sharp declines in halibut abundance from overfishing. The most recent, the IAC, grew from concern in the late 1990s that bycatch of endangered sea turtles needed to be addressed internationally.

Evidence: The UN Food and Agriculture Organization's State of World Fisheries and Aquaculture 2002 and several other subsequent reports clearly define the problem of dwindling commercial fish stocks and the need to track, analyze, and research fish stocks using international cooperation on fishing. Fish collection data is collected and reported by the individual commissions as well as the UN Food and Agriculture Organization. See www.fao.org Also, the U.S. Commission on Ocean Policy Preliminary Report states that "intensive exploitation of fish populations at the international level is jeopardizing global marine life and the marine environment." See www.oceancommission.gov

Program: International Fisheries Commissions
Agency: Department of State
Bureau: Oceans and International Environmental & Scientific Af.
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

1.3 **Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: NO Question Weight 20%

Explanation: The funding for the international commissions resides with State and State is the U.S.'s lead on diplomacy; however, the technical expertise, regulatory development and enforcement capability required to meaningfully participate in many of the commissions resides in other agencies, such as the National Marine Fisheries Commission. State does coordinates its efforts with several other technical agencies to advance U.S. goals in these commissions. The Department oversees finance and administrative management of all component commissions and ensures that measures taken in one commission are consistent with USG policies in other commissions, and overall foreign policy goals. State is the lead agency for 3 commissions (Antarctic, CCAMLR, IAC). National Oceanographic and Atmospheric Administration is the main partner agency in 12 commissions where it leads on science and stock management issues and ensures consistency with domestic management. State and tribal governments also provide technical expertise in 5. USCG coordinates enforcement issues in 5 commissions. Other partners include USFWS and Army Corps of Engineers, who administer lamprey control programs in the GLFC, and NSF, who coordinates science issues within CCAMLR and the Antartic Treaty.

Evidence: The overlap with other federal programs is apparent in the implementing legislation of several of the treaties. For example, the Northern Pacific Halibut Act of 1982 assigns "general responsibility to carry out the Convention" to the Secretary of Commerce. In addition Commerce is tasked to "adopt such regulations as may be necessary to carry out the purposes and objectives of the Convention." The implementing legislation for the Inte-American Tropical Tuna Commission, designates that "at least one [U.S. Commissioner] be either the Administrator, or an appropriate officer, of the National Marine Fisheries Service." Also, State is authorized with the concurrence of the Secretary of Commerce to "approve or disapprove the general annual programs of the commissions" and Commerce is delegated rulemaking authority. (U.S.C. Title 16 Chapter 16, Sec. 951-962) ff. Interagency guidance document on the Department of State's responsibilities concerning oceans and marine resources; gg. Delegation guidance document distributed by Department representatives to all commission meetings; hh. Letter from GLFC Chairman regarding Department of State's role; ii. Example of State's role - e-mail with foreign policy advice on participation of "Northern Cyprus" in ICCAT; jj.-vv. Participant lists from Annual Reports

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight 20%

Explanation: Participation in these commissions allows the United States to share the costs and effort required to study and mange shared living marine resources with its bilateral and multilateral partners. Membership in these commissions allows US fishers access to fisheries worth over $7 billion annually, not including the unquantifiable benefits of healthy whale stocks and better marine science. Effective participation in these organizations requires striking a balance between scientific, commercial, regulatory and foreign relations equities and the Department of State is best placed to evaluate these sometimes conflicting interests. U.S. has been successful expanding the impact of 4 commissions (GLFC, NPAFC, ICES, PICES) in particular by leveraging other funding sources for specific research initiatives. There is no evidence demonstrating that the multi-agency shared responsibilities for international fisheries within the USG is the most efficient or effective design.

Evidence: The mechanism of international fisheries commissions is likely the most efficient design for managing a large shared resource. However, there is no evidence that the multi-agency shared responsibilities model is the most efficient way of managing U.S. participation. There is evidence that there is a clear overlap of functions and changes to the current configuration have been considered. The Senate 2004 appropriations bill for State transferred the functions of State's Office of Oceans and Fisheries to the International Fisheries Division of the National Marine Fisheries Service as the bill eliminated all of OES. The Conference bill did not include the provision. Senate Commerce Justice State Appropriations bill. (S.1585 - Section 621). a. - p. Treaties and Agreements; q. FY 2005 Congressional Presentation Document; ww. Example - BASIS program as outgrowth of NPAFC

Program: International Fisheries Commissions
Agency: Department of State
Bureau: Oceans and International Environmental & Scientific Af.
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?**

Answer: YES Question Weight20%

Explanation: The program supports coordinated conservation and study of shared resources and protects fisheries access by U.S. commercial, recreational, and tribal groups. Four of the component commissions account for over 90% of the total program budget; in each of these between 80-90% of the budget goes directly to program activities such as stock assessments, other research, sea lamprey control, fishery observers and enforcement programs. Of the remaining 10, budgets are kept smaller by having most research carried out by member states, and commission secretariats serve to coordinate and publish the studies, plus manage catch and compliance statistics and facilitate meetings and symposia. Administrative expenses in these commissions average about 50% of the budget. In all 14, DOS reviews detailed expenditure reports and audits at each annual meeting to ensure funds were spent as intended. Increases to the overall program budget are explicitly earmarked for specific program activities.

Evidence: q. FY 2005 International Fisheries Commission Congressional Presentation Document, xx. - kkk.. Finance and Administration Reports of component commissions.

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES Question Weight: 5%

Explanation: Whereas the fisheries commissions have long-term measures, the OES fisheries program has few adequate measures. Most of the measures in the Bureau Performance Plan are focused on process outputs and are not tied to outcomes or indicate that the program is able to use budgeting to promote results and accountability. For example, the first long-term goal is "Fulfill obligations pursuant to treaties and agreements....." Processing payments to the commissions is not an indicator of OES success. On the other hand, long-term measures related to fish stocks, etc. are in place for all 14 commissions. Measures related to 9 commissions are integrated into OES strategic initiatives to conserve living marine resources, level the economic playing field for U.S. fishers, and combat economic crime. Those that are not reflected in the OES Bureau Program Plan are set in the planning documents of the OES offices who manage the program. Measures include reducing populations of parasitic sea lamprey and increasing native fish stocks in the Great Lakes (GLFC), finalizing implementation of two outstanding requirements of the 1999 Pacific Salmon Agreement (PSC), improving knowledge of migration patterns and distribution of Pacific halibut (IPHC), ratifying and securing entry into force and/or full functioning of new conservation agreements (IATTC/IAC/Antarctic), rebuilding stocks and improving compliance and enforcement rules (ICCAT/NAFO/CCAMLR), establishing ecosystem-wide scientific reports (ICES/PICES).

Evidence: There is enough evidence to give a Yes answer based on the long-term measures in the commissions that OES has also adopted. However, the measures of State's activities as provided in the BPP indicate that the program has no meaningful way to capture the most important aspects of the program purpose. As a result, this question will receive less weight. lll. OES/OMC Priorities for 2004; mmm. OES/OA Priorities for 2004; nnn. GLFC Strategic Vision for the First Decade of the New Millennium; ooo. The ICES Strategic Plan; ppp. Report of progress towards PICES Strategic Plan BPP Evidence: Goal Papers: SE.02 Environmental Protection EP.02 Trade and Investment IC.02 International Environmental Crime

Program: International Fisheries Commissions
Agency: Department of State
Bureau: Oceans and International Environmental & Scientific Af.
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 13%

Explanation: 11 of 14 commissions have set targets and timeframes for measures. The OES Bureau Program Plan includes specific targets for measures involving 8 of the commissions. The U.S. also works within component commissions establish specific targets and timeframes for relevant measures to achieve these goals. For example ICES, PICES and NPAFC have adopted long-term strategic plans to implement research plans and the GLFC adopted a decade-long workplan to achieve lamprey control by 2010. Two management commissions (ICCAT/NAFO), have set 10- or 15-year rebuilding plans to restore specific depleted fish stocks.

Evidence: These documents include the targets and time frames for long term goals. nnn. GLFC Strategic Vision for the First Decade of the New Millennium; ooo. The ICES Strategic Plan; ppp. Report of progress towards PICES Strategic Plan; qqq. NPAFC Science Plan 2001-2005; rrr. Recommendation by ICCAT Relating to the Rebuilding Program for North Atlantic Swordfish; sss. Recommendation by ICCAT to Establish a Rebuilding Program for Western Atlantic Bluefin Tuna; ttt. NAFO Rebuilding Plan for Greenland Halibut, Article 7 of NAFO Conservation and Enforcement Measures BPP Evidence: Goal Papers: SE.02 Environmental Protection EP.02 Trade and Investment IC.02 International Environmental Crime

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 13%

Explanation: 10 of 14 have specific annual measures that measure progress towards long term targets. The OES Bureau program plan identifies measures for 8. The Department also negotiated strategic plans of the two science organizations that set specific annual measures to work towards the long-term research goals. The seven commissions whose mandate includes allocation of fishing rights also have specific annual measures to manage stocks from baseline levels to levels that support a maximum sustainable yield. These measures require parties to set target stock sizes based upon scientific analysis, recommend annual catch limits, review compliance, and make necessary adjustments, such as closures of fisheries when catch limits are reached.

Evidence: jj. - vv. Annual Reports; lll. OES/OMC Priorities for 2004; mmm. OES/OA Priorities for 2004; qqq. NPAFC Science Plan 2001-2005; uuu. Example of multi-year fisheries catch levels, ICCAT (2) vvv. - zzz. Conservation and Management Measures BPP Evidence: Goal Papers: SE.02 Environmental Protection EP.02 Trade and Investment IC.02 International Environmental Crime

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 13%

Explanation: Annual measures established for the program include specific baselines and targets; for example in the GLFC. All 7 commissions that allocate fishing rights to members define baselines and targets for stock management. Two set multi-year catch limits with a specific baseline catch level and a rebuilding target. Others establish a statistical definition of the baseline biomass and the long-term target biomass that will produce the largest possible sustainable yield and set annual catch limits each year based on the most recent scientific analysis of total stock size. The United States works to ensure this annual process results in progress towards both our long-term goals to conserve these stocks and the annual targets we identify in the OES Bureau Program Plan.

Evidence: jj. - vv. Annual Reports; aaaa. Example - Targets and timeframes for PSC measures bbbb. Example - Targets and timeframes for GLFC sea lamprey control; cccc. IPHC Research Program 2004 BPP Evidence: Goal Papers: SE.02 Environmental Protection EP.02 Trade and Investment IC.02 International Environmental Crime. lll.OES/OMC priorities for Fy 2004. nnn. GLFC Strategic Vision paper.

Program: International Fisheries Commissions
Agency: Department of State
Bureau: Oceans and International Environmental & Scientific Af.
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: YES Question Weight: 13%

Explanation: Other USG agencies (e.g. NOAA, FWS. USCG) who works with the Department to represent the U.S. in these commissions help develop goals and measures through the interagency position-setting process and commit to their implementation. The Department provides guidance to relevant stakeholders, states, and non-governmental organizations that participate in U.S. delegations to the component commissions and commit to working towards agreed measures. Other countries and the U.S. indicate their commitment to the goals of the organizations by ratifying the treaties, by implementing the international rules and standards established under the treaties, and by enforcing fishing limits set by the commissions. US also monitors the efforts of commission secretariat staffs to ensure the organizations are meeting the goals and targets by providing relevant scientific information, statistics, and compliance information.

Evidence: Several documents show that the country members of the commissions commit to and work toward the goals. Also, U.S. documents show that the interagency team coordinates to work toward the goals. a. - p. Treaties and Agreements; gg. Delegation guidance document distributed by Department representatives to all commission meetings; jj. - vv. Annual Reports of the fisheries commissions; Member votes in commissions on finance and budgets,(Reports on Finance and Budget, Financial statements, Notes of Member meetings on finance).

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: NO Question Weight: 13%

Explanation: There is no evidence provided that shows that independent evaluations of sufficient scope are conducted on a regular basis. The last OES inspection was conducted by the Department's Inspector General in 1997 and included a review of both program and financial management of the program. Another is scheduled for spring 2005. The components and quality of the proposed IG study is unknown. The U.S. Commission on Ocean Policy is completing an evaluation of State and USG participation in these commissions in 2004. As for the effectiveness of the commissions themselves -- 6 commissions have formal constituent advisory committees that provide an annual assessment of effectiveness and relevance to beneficiary needs and recommend new initiatives. It is unclear that the advisory committees are independent. Through U.S. efforts to increase transparency within the commissions, international industry or environmental organizations also annually review the performance of the commissions to determine whether they are meeting production or conservation goals. Organizations like Seafood Watch and Traffic conduct periodic assessments of the status of the fish stocks and the effectiveness of the commissions managing them.

Evidence: dddd. Report of 1997 OIG Inspection of the OES Bureau; eeee. - mmmm. Advisory Committee Charters and Reports; nnnn. Seafood Watch Seafood Reports on Pacific Halibut and Yellowfin Tuna; oooo. TRAFFIC Bulletin on Patagonian toothfish; pppp. Humane Society report on IAC

Program: International Fisheries Commissions
Agency: Department of State
Bureau: Oceans and International Environmental & Scientific Af.
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight: 13%

Explanation: Budget requests for the four commissions that constitute over 90% of program funding are specifically tied to performance measures. For example, funding requests for GLFC increased almost $2 million from FY 2000 to FY 2002 to support efforts to increase alternative lamprey controls and decrease dependence on chemical lampricides. Within commissions, the U.S. requires transparent and detailed justifications how budget proposals will accomplish key goals. Once overall commission budgets are set, US contributions for all but two (Antarctic and IAC) are based on treaty-mandated formulas. Lack of full funding for the 3 bilateral commissions (GLFC, PSC, IPHC) has a direct affect on their ability to meet performance goals. As a smaller part of the overall budget, changes to U.S. contributions in the other commissions has less of a direct affect on program achievements, but in most cases underfunding means the U.S. loses its vote and the leverage to affect the management of the programs.

Evidence: q. FY 2005 Congressional Presentation Document; xx- kkk. Finance and Administration Reports; qqqq. International Fisheries Commissions FY 2002 Congressional Presentation Document; rrrr. Minutes of Extraordinary Session of the PSC August 21, 2003 BPP Evidence: A/S Statement:

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: NO Question Weight: 20%

Explanation: OES has established specific goals and indicators for this program for the first time, to complement measures and targets related to these commissions that are integrated into overall Bureau goals and initiatives. These specific goals and indicators as provided in the BPP are more output than outcome oriented.

Evidence: BPP Evidence: A/S Statement: Goal Papers: SE.02 Environmental Protection EP.02 Trade and Investment IC.02 International Environmental Crime

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 11%

Explanation: The Department monitors progress towards goals through participation in meetings of all commissions, direct contact with secretariat support staff and collaboration with partner agencies through the interagency process. All 10 fishery commissions regularly (generally monthly or quarterly) report on catch and landing data, compliance information, and results of stock assessments and research. As start-ups, the IAC and Antarctic Treaty Secretariat are in the process of developing regular reporting mechanisms. Department reviews regular publications of the two science organizations to assess progress of research. Department and partner agencies use this data to assess progress towards long-term goals and develop positions and new initiatives to press for within the commissions.

Evidence: jj. - vv. Participants lists from Annual Reports; ssss. Example of monthly commission reporting - March 2004 NAFO Provisional Catches letter; tttt. International Agreements Concerning Living Marine Resources of Interest to NOAA Fisheries BPP Evidence: Goal Papers: SE.02 Environmental Protection EP.02 Trade and Investment

Program: International Fisheries Commissions
Agency: Department of State
Bureau: Oceans and International Environmental & Scientific Af.
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 11%

Explanation: Responsibilities for managing the commissions in this program are distributed among 10 officers in OES/OMC and OES/OA. They are a key component of these officers' overall responsibilities to direct and manage international marine conservation policy, and each officer's work requirements reflect the program's long-term goals. Individual staff members are evaluated annually, and continuing employment is potentially contingent on performance of program duties. The Executive Secretaries of each of the component organizations are appointed subject to the continuing approval of the Parties and are held accountable for administrative and programmatic results.

Evidence: a. - p. Treaties and Agreements; uuuu. OES/OMC Foreign Affairs Officer Job Elements and sample evaluation (Civil Service); vvvv. OES/OMC International Affairs Officer Job Elements (Foreign Service) wwww. - hhhhh. Financial Regulations of Component Commissions.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 11%

Explanation: DOS obligates money as soon as possible according to the payment schedule of component organizations. According to annual reviews of actual expenditures, all 12 fully-functioning commissions spend funds according to approved budgets within acceptable variance. The two start-up commissions (IAC and Antarctic Treaty Secretariat) have yet to report a full year's expenditures. Most commissions have a policy in the rare instances where all payments made by commission members are not spent in the designated year, that the excess is kept in a working capital fund and used to reduce overall budgets and assessments in the following year.

Evidence: jj. - vv. Annual Reports, xx. - kkk. Finance and Administrative Reports; iiiii. OES/DRL-EX Commissions Accounting Documents

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: NO Question Weight: 11%

Explanation: There are no regular procedures in place to measure and achieve efficiencies and cost effectiveness. State provided examples of how efficiencies are reached within some commissions on an ad-hoc basis. For example: 1) Where research is conducted by grantees, commissions award research funding on a competitive basis; in all cases research activities and costs are reviewed annually by the member countries. 2) Four commissions follow zero real growth budget policies, two have achieved savings through consolidating intercessional meetings, 3) four have implemented e-mail communications and electronic publishing. 4) GLFC negotiated a set-rate contract for lampricide at about a 40% discount.

Evidence: The evidence provided by the Agency does not support a Yes answer by showing that procedures are in place to ensure the most efficient use of funding. The agency emphasized ad-hoc activities. jj. - vv. Annual Reports; xx. - kkk. Finance and Administrative Reports; jjjjj. Example - NAFO service and cost initiative; kkkkk. Example - GLFC Plan to decrease lampricide use; lllll. Example - IWC Plan to reduce intercessional meeting costs

PART Performance Measurements

Program: International Fisheries Commissions
Agency: Department of State
Bureau: Oceans and International Environmental & Scientific Af.
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight: 11%

Explanation: The Department leads delegations to three commissions and coordinates interagency consultations in the others. Priorities and goals for each organization are developed through both informal consultations with partner agencies and through the Oceans Sub-Policy Coordinating Committee. Recent successes only possible through effective interagency coordination include the adoption of a ground-breaking trade-based compliance regime in ICCAT, successful negotiation of the revised IATTC Convention, and swift implementation of a new project to prevent invasive Asian carp from reaching the Great Lakes. All 3 bilateral commissions (GLFC/PSC/IPHC) coordinate closely with state and local government efforts on habitat restoration and management. Multilateral organizations also collaborate with and through the UN Food and Agriculture Organization and APEC. Science commissions maintain MOUs with management organizations to coordinate research projects and avoid overlap or duplication of effort.

Evidence: jj. - vv. Annual Reports; mmmmm. Example - informal State/NOAA/USTR consultations to develop comprehensive trade proposal at ICCAT; nnnnn. Oceans Sub-PCC April 7, 2004 agenda and highlights; ooooo. Memo to DAS West on IATTC convention renegotiation; ppppp. ICCAT Advisory Committee Chair's report of the 2003 ICCAT Meeting; qqqqq. GLFC Asian Carp Press Release; rrrrr. Third Meeting of Regional Fisheries Bodies and FAO, March 2003; sssss. Sample ICES and PICES MOUs on science cooperation with management bodies (5)

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight: 11%

Explanation: The OES bureau manages the funds appropriated to the program in accordance with all Federal standards. OES continuously reviews each organization's budget, income, and asset sheets, and any concerns must be addressed before payments are made. Within the program, accounting and financial management practices vary from organization to organization, but all commissions employ independent auditors, have adopted financial regulations that require best practices, and are subject to ongoing oversight by the parties. OES reviews and edits the financial regulations and rules of procedure before they are adopted by component commissions, to ensure they contain required checks and balances and reflect good management.

Evidence: xx. - kkk. Finance and Administrative Reports; wwww. - hhhhh. Financial Regulations; ttttt. Independent audits of commissions (8) found each commission in compliance with its own financial regulations and standard accounting practices.

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: NO Question Weight: 11%

Explanation: The data provided by State supports a No answer. According to State, "These programs are not managed as a group. They have been grouped only to expedite PART analysis. Problems with individual programs are corrected by the commissioners (usually Presidential appointees) and periodic OES reviews. The State Department Inspector General provides a higher level of oversight." Clearly, State makes management decisions that directly affect the operation of these commissions. For example, State reprograms funding between unrelated commissions to suit State's policy/program goals.

Evidence: The evidence provided does not show that State or the commissions have a system for identifying and correcting program management deficiencies and uses the system to make corrections. Also, no evidence was provided to show that corrections are made. dddd. Report of 1997 OIG Inspection of the OES Bureau

PART Performance Measurements

Program: International Fisheries Commissions
Agency: Department of State
Bureau: Oceans and International Environmental & Scientific Af.
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

3.BF1 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight:11%

Explanation: OES staff participates on, and sometimes lead, U.S. delegations to the meetings of all 14 commissions and work continuously with both commission secretariats and other parties to design, review, and approve the commissions' activities. OES also reviews each organization's budget, income, and asset sheets and requires that any concerns be addressed before payments are made.

Evidence: jj. - vv. Participants lists from Annual Reports; xx. - kkk. Finance and Administrative Reports

3.BF2 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight:11%

Explanation: Through the public advisory process that seeks the input of members of the public into U.S. activities within these commissions, the Department and its partner agencies provide detailed information on the performance of these commissions. The Department also works closely with the National Marine Fisheries Service to produce its annual report on all international agreements related to living marine resources. This document, which is widely distributed to constituent groups and available online, details the budget and program activities of each of the commissions within this program.

Evidence: eeee. - mmmm. Advisory Committee Charters and Reports; tttt. International Agreements Concerning Living Marine Resources of Interest to NOAA Fisheries

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight25%

Explanation: Most of OES's long-term goals are process-oriented. The answer of Large Extent is based on the outcome goals of the fisheries commissions which OES shares. Fisheries are demonstrating progress towards performance goals. According to State, U.S. funding shortfalls have led the Pacific Salmon Commission to curtail activities in 2003 and 2004; thus has stalled progress towards resolving the two remaining elements of the 1999 Agreement.

Evidence: jj. - vv. Annual Reports; uuuuu. GLFC Lake Committee Reports on sea lamprey abundance; vvvvv. NOAA Press Release on N. Atlantic Swordfish, October 2002; wwwww. Report of PICES Organizational Review; xxxxx. Example - Establishment and achievement of long-term measure: Precautionary Approach implementation in NASCO; yyyyy. Letter to DAS Balton and NOAA Fisheries Administrator Hogarth on affects of shortfalls on PSC functions BPP Evidence: A/S Statement: Goal Papers: SE.02 Environmental Protection EP.02 Trade and Investment IC.02 International Environmental Crime

Program: International Fisheries Commissions
Agency: Department of State
Bureau: Oceans and International Environmental & Scientific Af.
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight25%

Explanation: The specific annual performance measures for this program are new and have not been assessed, but all annual targets within program-related measures in the OES Bureau Program Plan were met or exceeded in 2003. All multilateral fisheries management organizations have effective processes for setting annual catch limits, management measures, and stock abundance targets. According to State, the PSC's ability to meet annual targets has also been hampered due to U.S. funding shortfalls.

Evidence: uuu. Example of multi-year fisheries catch levels, ICCAT (2); vvv. - zzz. Conservation and Management Measures; cccc. IPHC Research Program 2004; yyyyy. Letter to DAS Balton and NOAA Fisheries Administrator Hogarth on affects of shortfalls on PSC functions. BPP Evidence: A/S Statement: Goal Papers: SE.02 Environmental Protection EP.02 Trade and Investment IC.02 International Environmental Crime

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: SMALL EXTENT Question Weight25%

Explanation: The program highlights three efficiency measures among these commissions; one is new but the other two are already yielding significant savings. Overall, 7 of 10 commissions have maintained nearly level budgets while continuing steady or increased workloads. Funding for the program as a whole increased 16% from FY 2001 to FY 2004, but most of that increase went to strengthen sea lamprey control through the GLFC, which is subject to its own efficiency measure. Less the GLFC amount, program costs increased one percent during that period, while the number of commissions funded went up by one.

Evidence: q. FY 2005 Congressional Presentation Document; xx. - kkk. Finance and Administrative Reports; qqqq. International Fisheries Commissions FY 2002 Congressional Presentation Document; jjjjj. Example - NAFO service and cost initiative; kkkkk. Example - GLFC Plan to decrease lampricide use; lllll. Example - IWC Plan to reduce intercessional meeting costs

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: This is the only program with a mandate to support treaties and agreements that conserve and manage shared marine living resources through international cooperation. Similar programs exist to facilitate cooperative management of shared living resources domestically or to promote conservation internationally, but none have all three elements of international cooperation, environmental conservation, and resource allocation.

Evidence:

Program: International Fisheries Commissions

Agency: Department of State

Bureau: Oceans and International Environmental & Scientific Af.

Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: NO

Question Weight25%

Explanation: No independent evaluations of sufficient scope and quality exist. The 1997 inspection by the Department's Inspector General offered no recommendations for changes. Although some component commissions have been more successful than others in adopting effective measures to sustain and protect living marine resources, assessments by non-governmental organizations, global bodies such as the FAO, and independent assessments like the U.S. Commission on Ocean Policy have reiterated the vital role of regional fisheries commissions in facilitating international cooperation to conserve and manage living marine resources. The Oceans Policy Commission specifically recommended the Department of State continue to support international oceans science bodies. CCAMLR, IAC, and IPHC have specifically been cited by environmental groups as excellent examples of cooperative international conservation and management.

Evidence: State provided examples of reports that compliment commissions work. None analyze the impact of its programs. t. UN Food and Agriculture Organization's State of World Fisheries and Aquaculture; u. Draft Report of the U.S. Commission on Oceans Policy, Chapters 19 and 29; dddd. Report of 1997 OIG Inspection of the OES Bureau; nnnn. Seafood Watch Seafood Reports on Pacific Halibut and Yellowfin Tuna; oooo. TRAFFIC Bulletin on Patagonian toothfish; pppp. Humane Society report on IAC

PART Performance Measurements

Program: International Fisheries Commissions

Agency: Department of State

Bureau: Oceans and International Environmental & Scientific Af.

Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

Measure: Great Lakes Fishery Commission: Percentage of habitat controlled with sea lamprey barriers instead of pesticide. The increase in barrier methods for lamprey control reduces the use of lampricides and cost of lampricide to the GLFC. Targets are reductions in pounds of lampricide used and costs save over time.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2002	Baseline	2263126
2003		2032432
2004	1879569	
2005	1784837	
2006	1784837	
2007	1784837	

Measure: Northwest Atlantic Fisheries Organization: Average publishing and correspondence cost per document (Canadian $).

Additional Information: Northwest Atlantic Fisheries Organization: Average publishing and correspondence cost per document (Canadian dollar savings versus 2002 costs). Target is total cost for uploading only

Measure Term: Annual

Year	Target	Actual
2002	Baseline	74459.1
2003		$70,001
2004	$50,000	
2005	$50,000	
2006	$38,002	
2007	$38,002	

PART Performance Measurements

Program: International Fisheries Commissions
Agency: Department of State
Bureau: Oceans and International Environmental & Scientific Af.
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

Measure: International Whaling Commission: Intersessional meeting costs as a percentage of total meeting costs (provided in pounds) savings vs. 2003

Additional Information: International Whaling Commission

Measure Term: Annual

Year	Target	Actual
2002	Baseline	NA
2003		0.0923
2004	0.0027	
2005	0.0175	
2006	0.0176	
2007	0.0176	

Measure: Ratification and entry into force of revised Inter-American Tropical Tuna Commisison Convention (IATTC Convention) and new Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean (WCPFC Convention)

Additional Information: Under the UN Fish Stocks Agreement, the United States must be party to relevant treaties and agreements whose mandate includes stocks for which the United States fishes. Such treaties also must be broadly ratified by other affected parties to be effective. 2004--Department submits WCPFC Convention and IATTC Convention to the Senate. 2005--WCPFC Convention enters into force; four signatories, including the United States, ratify the new IATTC Convention. 2006--U.S. ratifies WCPFC Convention; three additional signatories ratify the new IATTC Convention. 2007--New IATTC Convention enters into force.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	Not avail.
2003		See explanation
2004	See explanation	
2005	See explanation	
2006	See explanation	

Program: International Fisheries Commissions

Agency: Department of State

Bureau: Oceans and International Environmental & Scientific Af.

Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

Year	Target	Actual
2007	See explanation	

Measure: Depleted stocks of living marine resources rebuild to healthy levels through coordinated, science-based management.

Additional Information: This indicator addresses the core function of the commissions and agreements that make up this program -- to facilitate international cooperation to maintain or rebuild populations of shared fish stocks and other living marine resources. The Johannesburg Declaration includes a goal of progress towards recovery of depleted stocks of living marine resources by 2015. 2003--ICCAT has rebuilding plans in place setting long-term recovery measures for North Atlantic swordfish and Western Atlantic bluefin tuna. 2004--ICCAT has rebuilding plans in place setting long-term recovery measures for North Atlantic swordfish and Western Atlantic bluefin tuna. 2005--ICCAT adopts rebuilding plan setting long-term recovery measures for Atlantic marlin stocks. New sharing arrangements for Pacific coho and chum salmon negotiated through PSC. NAFO implements management measures to halt decline of vulnerable North Atlantic skate stocks. 2006--Northwest Atlantic yellowtail flounder stocks fully rebuilt. IPHC implements revised management measures for Pacific halibut based on results of multi-year assessment program. 2007--Great Lakes walleye and yellow perch stocks support increases in harvest levels.

Measure Term: Long-term

Year	Target	Actual
2003	See explanation	See explanation
2004	See explanation	
2005	See explanation	
2006	See explanation	
2007	See explanation	

Measure: Whale stocks are sustained at a level sufficient to support aboriginal whaling activities.

Additional Information: Continued protection of whale stocks is an important component of U.S. efforts to conserve marine living resources. Maintenance or improvement of the status of whale stocks used by U.S. aboriginal groups safeguards a vital subsistence activity. 2003 -- International Whaling Commission renewed U.S. aboriginal bowhead and gray whale quota; Revised Management Scheme negotiations break down; Iceland begins "scientific" whaling program. 2004 -- Independent assessment indicates health of bowhead whale stock; RMS negotiations resume. 2005 -- RMS negotiations continue. 2006 -- RMS negotiations continue. IWC scientific committee reviews status of bowhead and gray whale stocks in anticipation of making new catch limit recommendations. 2007 -- IWC renews U.S. aboriginal whaling quotas for gray and bowhead whales.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	Not avail.
2003		See explanation

Program: International Fisheries Commissions
Agency: Department of State
Bureau: Oceans and International Environmental & Scientific Af.
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

2004	See explanation
2005	See explanation
2006	See explanation
2007	See explanation

Measure: Regional fisheries management organizations (RFMOs) deter or eliminate Illegal, Unreported, and Unregulated (IUU) fishing on the stocks under their jurisdiction.

Additional Information: IUU fishing can nullify management measures and catch limits intended to achieve sustainable exploitation of shared fisheries resources. By their nature, IUU fishing levels are difficult to measure. Full implementation by all RFMOs of the tools in the FAO International Plan of Action to Prevent, Deter, and Eliminate IUU Fishing (IUU IPOA) serves as a proxy measure for reducing fishing that undermines conservation regimes. Progress depends on an iterative negotiation process already underway; all RFMOs should implement relevant provisions of the IPOA by 2007. 2003 -- Some RFMOs begin to develop plans to implement the IUU IPOA. 2004 -- All RFMOs have begun to develop plans of action to implement IUU IPOA. 2005 -- Commissions begin to finalize plans of action to implement IUU IPOA. 2006 -- Commissions review existing measures to assess consistency with plans of action to implement the IUU IPOA. 2007 -- Commissions adopt new anti-IUU fishing measures consistent with plans of action to implement the IUU IPOA.

Measure Term: Long-term

Year	Target	Actual
2003	Baseline	See explanation.
2004	See explanation	
2005	See explanation	
2006	See explanation	
2007	See explanation	

PART Performance Measurements

Program: International Fisheries Commissions

Agency: Department of State

Bureau: Oceans and International Environmental & Scientific Af.

Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

Measure: Number of multilateral regional fisheries management organizations implementing comprehensive schemes to improve compliance with conservation and management measures by both members and non-members.

Additional Information: Successful measures and catch limits to achieve sustainable exploitation of shared fisheries resources must include comprehensive schemes to address both member and non-member fishing that undermines the commissions' management regimes. Relates to long-term measure re: elimination of IUU fishing.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	1 of 7
2004	2 of 7	2 of 7
2005	3 of 7	
2006	4 of 7	
2007	5 of 7	

Measure: Level of ratification and subsequent implementation of the comprehensive sea turtle bycatch provisions of of the Inter-American Sea Turtle Convention (IOC) and Indian Ocean Sea Turtle MOU (IOSEA MOU)

Additional Information: Participation in these agreements by all fishing States in each region will ensure the broadest possible application of measures to minimize the bycatch of highly endangered sea turtles and build support for ecosystem-based fisheries management schemes. Relates to long-term measure re: recovery of depleted stocks. 2003 -- 16 signatories to IOSEA MOU, 11 Parties to IAC. 2004 -- Four additional signatories to IOSEA MOU, one additional ratification of IAC. 2005 -- Two additional signatories to IOSEA MOU, one additional ratification of IAC. 2006 -- All IAC parties adopt sea turtle bycatch reduction measures for trawl fisheries. 2007 -- All IAC parties adopt sea turtle bycatch reduction measures for pelagic fisheries

Measure Term: Annual

Year	Target	Actual
2003	Baseline	See explanation
2004	See explanation	
2005	See explanation	
2006	See explanation	
2007	See explanation	

PART Performance Measurements

Program: International Fisheries Commissions
Agency: Department of State
Bureau: Oceans and International Environmental & Scientific Af.
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	68%	78%	42%	

Measure: Estimated parasitic sea lamprey abundance in all Great Lakes as a percentage of the maximum target level that would allow for healthy fish populations.

Additional Information: Complete eradication of all sea lamprey from the Great Lakes is not scientifically possible, but commercially- and recreationally-caught fish stocks in the Great Lakes can return to levels of abundance if parasitic sea lamprey populations are reduced to a target level. Relates to long-term measure re: recovery of depleted stocks.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	2.13
2004	188%	
2005	162%	
2006	138%	
2007	110%	

PART Performance Measurements

Program: International Narcotics Control and Law Enforcement Programs in the Western
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	43%	33%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The mission statement for the Bureau of International Narcotics and Law Enforcement Affairs (INL) is to blunt the impact of international drug traffickers and other crime groups on the United States, American Citizens, and U.S. friends and allies. INL Western Hemisphere program objectives are to: disrupt and reduce the flow of drugs and other criminal influences in and through the Transit Zone; and focus on institutional development of judicial and law enforcement sectors, and on the coordination of drug crime and interdiction capabilities and capacities.

Evidence: INL's FY 2006 Bureau Performance Plan (BPP) is part of the State Department's strategic planning framework and defines the purpose and mission clearly for the bureau's programs in the Western Hemisphere.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: INL directly supports counter-narcotics and other law enforcement operations, and strengthens partner countries' capacities to conduct such activities, in Western Hemisphere countries. [Note: This PART focuses on INL's programs in Western Hemisphere countries not included in the Andean Counterdrug Initiative.] INCLE-WHA (International Narcotics Control and Law Enforcement programs in the Western Hemisphere) focuses mainly on the countries responsible for trafficking narcotics into the U.S.: Mexico, Guatemala, Jamaica and the Bahamas, which together account for more than 70% of US-bound trafficking of cocaine, heroin, marijuana and synthetic drugs. INCLE-WHA also focuses on Mexico as a producing country of US-bound marijuana and heroin. INCLE attacks a broad range of issues underpinning such criminal activity, including partner country law enforcement, corruption, drug abuse and participation in international treaties, as well as money laundering and trafficking in persons.

Evidence: The Department of State's Strategic Plan for FY 2004-2009 identifies specific problems related to narcotics and international crime. The Department's FY 2004 Congressional Justification for Foreign Operations accounts discusses the existing problem and how it relates to the Department's mission. The Foreign Assistance Act includes a Congressional mandate for the Department to combat international narcotics with foreign assistance. The National Drug Threat Assessment is written annually and discusses drug flow estimates through the transit zone of the Western Hemisphere.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: INL is organized to fill the responsibility bestowed upon the Secretary of State by the Foreign Assistance Act (FAA) to coordinate all U.S. counter-narcotics assistance to foreign countries. In most cases, INL is the only USG entity that can legally provide direct foreign assistance to law enforcement agencies to combat drugs. Other U.S. agencies such as the Drug Enforcement Agency (DEA) provide operational and advisory support. INL ensures its programs are not redundant of other international organizations by regularly meeting at the Mini-Dublin conferences and with the Organization of American States (OAS). INL ensures U.S. counterdrug partners maintain their respected mandate by deconflicting efforts at the U.S. Embassy by defining roles and responsibilities in the Mission Performance Plan (MPP) and with law enforcement working committees.

Evidence: FAA, Part 1, Chapter 8 gives the Department of State the mandate to provide foreign assistance to combat narcotics. Mission Performance Plans for each host country receiving INL assistance define roles and responsibilities for all U.S. Government entities providing counterdrug assistance. The execution of these plans are further coordinated to eliminate redundancy at U.S. Embassy coordination meetings led by Embassy leadership. International efforts are coordinated with the Dublin Group and the Organization of American States.

PART Performance Measurements

Program: International Narcotics Control and Law Enforcement Programs in the Western
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	43%	33%	

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%

Explanation: INL's counternarcotics program is a core effort to fight the effect of drugs and international crime at the national level. There is no strong evidence that another approach or mechanism would be more efficient or effective in achieving the intended purpose.

Evidence:

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: INL targets the Western Hemisphere countries most responsible for trafficking cocaine, heroin, marijuana and synthetic drugs to the United States. INL also targets Mexico as a substantial producer of US-bound marijuana and heroin. Budgets reflect targeting toward Mexico, which is the route for 70% of the Andean cocaine and methamphetamine commerce to the United States. Budgeting also reflects INL's attention to disrupting related illegal activities (e.g., money laundering, border security, trafficking in persons) and to strengthening the partner countries' capacities to conduct these activities. For example, in many of these countries, INL funds training and equipment for police officers, judges and prosecutors, as well as drug use reduction programs for the public. Lastly, budgeting reflects INL's bias towards host countries in which it can identify partner agencies that are effective and trustworthy.

Evidence: INL's annual Bureau Performance Plan, INL's annual Congressional Budget Justification, the Office of National Drug Control Policy's Strategy Report, Transit Zone Strategy

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 13%

Explanation: INL's Bureau Performance Plan (BPP) has two specific, outcome-oriented, long-term performance measures for its Western Hemisphere programs. These goals are in the measures tab and reflect the dual purpose of the program to reduce the flow of illicit drugs into the U.S. while at the same time train and develop professional foreign law enforcement agencies.

Evidence: INL's FY 2006 Bureau Performance Plan (INCLE WHA Goal Paper) defines the program's long-term goals and is part of the State Department's overall strategic and performance planning framework.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 13%

Explanation: Baselines and targets for the INCLE WHA program are in the measures tab. Each goal reflects ambitious targets and timeframes.

Evidence: INL's FY 2006 Bureau Performance Plan (INCLE WHA Goal Paper) identifies the program's long-term targets and timeframes and is part of the State Department's overall strategic and performance planning framework.

Program: International Narcotics Control and Law Enforcement Programs in the Western
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	43%	33%	

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?

Answer: YES Question Weight: 13%

Explanation: The Bureau Performance Plan has annual performance measures that tie to annual and long-term goals. There are three specific annual performance measures that support the long-term goals. These annual measures are reflected in the measures tab and include measures on aerial eradication efforts, ability to disrupt the transit flow of drugs through interdiction and seizures, and law enforcement capacity to make arrests.

Evidence: INL's FY 2006 Bureau Performance Plan (INCLE WHA Goal Paper) defines the annual goals and is part of the State Department's overall strategic and performance planning framework.

2.4 Does the program have baselines and ambitious targets for its annual measures?

Answer: YES Question Weight: 13%

Explanation: The Bureau Performance Plan has baselines and ambitious targets for all annual performance measures, which are located in the measures tab.

Evidence: INL's FY 2006 Bureau Performance Plan identifies the annual targets and timeframes and is part of the State Department's overall strategic and performance planning framework.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?

Answer: YES Question Weight: 13%

Explanation: INL's host nation partners are committed to meeting long-term goals as defined in the annual Letters of Agreement (LOA) between INL and each partner nation. The ARINC contract supports the improved efficiency of the Mexican Government's aviation fleet. Through the Bureau Performance Plan (BPP) and Mission Performance Plan (MPP) planning process, all partner agencies participate in formulating plans, programs, and goals. Another formal mechanism at the Department level is the Deputy and Policy Coordinating Committee, which coordinates policy and resolves disagreements. In pursuit of international commitment, INL works closely with the Inter-American Drug Abuse Control Commission (CICAD) as well as the United Nations Office on Drugs and Crime (UNODC) to produce international standards.

Evidence: Bilateral Letters of Agreement are INL's execution documents with host countries and include goals and measures for each project. The Law Enforcement Committee Master Training Plan (Mexico) is an example of U.S.Government agencies coordinating and supporting program goals at the U.S. Embassy in host countries. Interagency agreements are commitment letters between INL and other U.S. agencies. Mission Performance Plans include performance initiatives with partner responsibilities. ARINC and GTSI contracts in support of Mexico's aviation fleet include general performance objectives.

Program: International Narcotics Control and Law Enforcement Programs in the Western
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	43%	33%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: NO

Question Weight: 13%

Explanation: While the State Department Inspector General has inspected the U.S. embassies in Mexico, Guatemala and Jamaica, during which he also inspected the Narcotics Affairs Section (NAS) in those missions, and while an independent study evaluated the success of U.S. judicial reform projects in Guatemala, INL does not regularly schedule independent evaluations to examine the overall program's success in achieving its mission and long-term goals. An initial review of the Bureau's performance and operations is currently being performed internally, and a Statement of Work has been drafted to contract out follow-on work.

Evidence: July 2003 OIG Report of U.S. Embassy in Mexico; April 2001 OIG Report of U.S. Embassy in Guatemala; independent review of law enforcement programs in Guatemala (paid for by NAS in Guatemala)

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO

Question Weight: 13%

Explanation: INL's annual budget requests are broken down by country and, within each country, by major program activity area. At the country level, INL relates budget requests to narrative descriptions of conditions in those countries. INL does not clarify, however, what the impact of funding decisions would be on expected performance, either at the country or program-wide level. The annual budget for INL is developed mostly with input from US missions overseas. Mission budget requests follow INL's budget request guidance and are based on each embassy's MPP.

Evidence: INL's annual Congressional Budget Justification; INL's FY 2006 Budget Call with Response and Review of Mexico and Guatemala

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?**

Answer: YES

Question Weight: 13%

Explanation: In the past year, INL has taken several meaningful steps to improve strategic planning. The Bureau is developing a new "Strategic Logic Model," a one-page, draft graphical document that seeks to coordinate INL's geographically far-flung operations into one focused, concise strategic plan. This model is meant to guide all future strategic planning documents, including Mission Performance Plans, Letters of Agreement with partner foreign countries, and annual budget request documents. In addition, the Transit Zone Strategy attempts to provide a program-wide vision with performance metrics and will establish targets and baselines in the near future.

Evidence: Strategic Logic Model; Transit Zone Strategy; Instructions for drafting Letters of Agreement

Program: International Narcotics Control and Law Enforcement Programs in the Western
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				**Rating**
1	2	3	4	Adequate
100%	75%	43%	33%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: NO Question Weight: 14%

Explanation: INL collects and disseminates substantial amounts of program-related information on a frequent and systematic basis. However, the evidence did not show that data relating to performance goals is used on a regular basis to inform managerial actions. Performance information is collected annually through INL's International Narcotics Control Strategy Report (INCSR) providing statistics on narcotics and counter-narcotics activities around the world and outlines the USG priorities in its "road ahead" section. On a regular basis, posts and partners generate periodic and ad hoc reports to INL Washington Desk Officers that are incorporated into reports to INL and Department leadership in the Assistant Secretary Daily Activity Report (ASDAR). Performance information from other agencies is used to inform Congress on progress of long-term initiatives such as the eradication and interdiction efforts in Mexico.

Evidence: INL produces the INCSR as an annual progress report on the fight against drugs. The Mexico 90-Day Status Report is an example of regular collection of information for the U.S. Embassy. The Narcotics Affairs Section of each U.S. Embassy in the region produces monthly reports for Washington headquarters. The Program Nacional Control de Drogas - Mexico 2001-2006 is an example of host nation reports shared with the U.S. Government. Contractors are required to provide monthly reports on progress towards goals.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: NO Question Weight: 14%

Explanation: Letters of Agreement (LOAs) with partner nations articulate program objectives, require periodic performance reviews and, sometimes, set specific performance goals, which may or may not align with those in the respective MPP. Accountability can be pursued through at-will termination or the certification process, in which INL advises the President each year on which countries are so uncooperative as to warrant cuts in funding. U.S. agency partners can be held accountable through periodic reviews, as required in the inter-agency agreements. INL has used these means to enforce accountability (e.g., with the Department of Justice's program in Guatemala). However, INL did not identify the managers responsible for INCLE WHA performance, nor did they show that standards had been established for their performance.

Evidence: LOAs with Mexico, Guatemala and Honduras include accountability language. The End Use Monitoring Report is an annual report showing accountability for proper use of equipment provided by INL to host countries. ARINC Monthly Status Report regarding the contractor's support of the Mexican Government's aviation fleet.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 14%

Explanation: This question received a "YES," because this program is not in violation of the Anti-Deficiency Act, and there is no evidence of erroneous payments. It should be noted, however, that the evidence provided did not show that the program and partners establish schedules for obligation.

Evidence: Financial Management Activity Report (FMAR) is a quarterly report showing status of funds. Mexico Pipeline Report shows efforts to maintain status and age of funds since INL has multi-year and no-year funds.

Program: International Narcotics Control and Law Enforcement Programs in the Western
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	43%	33%	

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: NO — Question Weight: 14%

Explanation: INL has procedures for employees to follow regarding, for example, use of Purchase Authorizations and End-Use Monitoring, but, while these focus on compliance with rules and laws, they do not standardize procedures that measure and achieve efficiencies and cost effectiveness. INL is investing in IT solutions that will directly link procurement invoicing to a new local accounting system which will lead to fewer accounting and invoice errors.

Evidence: INL Procurement Policies and Procedures Handbook; INL Financial Management and Property Tools; Guatemala Regional Narcotics Training Center - Canines (an effort to create economies of scale); Technical Requirements for Fleet Management Software - Mexico (document that shows efforts to use IT solutions with host nation partners)

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: YES — Question Weight: 14%

Explanation: There is extensive, constant and ongoing cooperation and interchange among offices dealing in INL-related programs, generally with the Embassy's Narcotics Affairs Section (NAS) as the responsible coordinating authority. Coordination is done through formal mechanisms and regular interchanges at all levels. Policy, planning and program implementation in the field is coordinated with all interested USG representatives through the U.S. embassy country team as well as through direct communication. The effort to collaborate and coordinate is not only done with the interagency for country programs, but also with programs among several countries. INL has made special efforts to coordinate its programs sub-regionally within the framework of the hemisphere and regional strategies.

Evidence: NAS/Mexico cables for Mexican Government Counter Drug Cooperation show bilateral coordination. Joint Interagency Task Force--South (JIATF-S) meeting notes reflect interagency coordination. Mini-Dublin meeting notes show international coordination. NAS/Guatemala Bilateral Counternarcotics Working Group and Rule of Law Committee notes reflect coordination at the U.S. Embassy level.

3.6 **Does the program use strong financial management practices?**

Answer: NO — Question Weight: 14%

Explanation: INL currently has weak financial management systems that raise concerns about the bureau's ability to track, reconcile, and accurately report on unobligated balances. An internal review found that INL's current financial management system is inadequate to support its programs. Specifically, INL is unable to produce accurate and timely information (e.g., unit or overall costs, pipeline, burn rate) that would support day-to-day resource allocations or trade-off decisions. It should be noted, however, that INL plans to implement a new financial management system in August 2004 that is designed to rectify these problems.

Evidence:

Program: International Narcotics Control and Law Enforcement Programs in the Western
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				**Rating**
1	2	3	4	Adequate
100%	75%	43%	33%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 14%

Explanation: INL has undertaken a number of initiatives to address deficiencies. The bureau's Strategic Logic Model was established to improve coordination among planning, budgeting, execution, and monitoring. An updated Financial Management Handbook was distributed to improve accounting deficiencies followed up with a financial management training conference held in Panama in March 2004. INL is establishing a uniform country accounting system which will be launched in August 2004. The new Program Assistance and Evaluation (PA&E) Division performs in-depth reviews of post operations and provides guidance to improve management and financial processes.

Evidence: Strategic Logic Model; revised Financial Management Handbook; Program Assistance and Evaluation Execution Plan; Revised LOA instructions

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight: 28%

Explanation: INCLE WHA has demonstrated mixed results in pursuing its two long-term goals. Since 2000, the flow of cocaine into the U.S. has decreased cumulatively by 26% (although it actually increased in both 2001 and 2002 over the prior years), while the flow of heroin has increased by 33% (also exhibiting fluctuating annual changes). As per fostering host country law enforcement abilities, data for 2002 and 2003 demonstrate a small extent of progress among host countries implementing anti-narcotics recommendations.

Evidence: INL's FY 2006 Bureau Performance Plan and Mission Performance Plans for Mexico, Central America and the Caribbean; FY 2004 International Narcotics Control Strategy Report (INCSR); 2004 CICAD Multilateral Evaluation Mechanism (MEM); Extrapolated data from the Interagency Assessment of Cocaine Movement Report (IACM).

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight: 28%

Explanation: INL developed three new annual measures, one of which shows mixed results, one shows no results (due to lack of historical data) and one shows negative results. Outside of these measures, the BPP, MPPs, and INCSR demonstrate achievements in reaching other annual goals. While aerial eradication is a new measure, INL WHA has made considerable progress towards improving the infrastructure to effectively eradicate. Mexican law enforcement agencies continue to make record numbers of arrests.

Evidence: INL's FY 2006 Bureau Performance Plan and Mission Performance Plans for Mexico, Central America and the Caribbean reflect performance results; FY 2004 INCSR shows counterdrug performance results; 2004 CICAD MEM results

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: SMALL EXTENT Question Weight: 25%

Explanation: INL has developed a new efficiency measure to demonstrate its efficiency in fostering host nations' capacities to interdict drugs. This measure improved by 27% in 2001, but then diminished by 27% and by a further 3% in 2002 and 2003, respectively. Outside of this measure, however, INL did demonstrate positive results by assessing the Mexican Attorney General's airwing and implementing improvements, resulting in cost savings and improved processes.

Evidence: Efficiency measure statistics are derived from INCSR statistics and INL budget information. Cost-benefit analysis report in Mexico showed improved efficiencies.

Program: International Narcotics Control and Law Enforcement Programs in the Western
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				**Rating**
1	2	3	4	Adequate
100%	75%	43%	33%	

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA

Question Weight: 0%

Explanation: While other similar programs exist today (e.g., UN institution-building in Brazil, Peru and Bolivia, European government efforts in the Caribbean), the collection of data on such comparable programs, because they are relatively new and small in scope, would be inherently too difficult. In the future, however, comparison data may be easier to collect and analyze -- especially if INL proactively seeks to coordinate with these organizations -- and could offer meaningful, actionable insight.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: SMALL EXTENT

Question Weight: 20%

Explanation: While no single evaluation satisfies the conditions of scope, quality and rigor for the entire INCLE WHA program, individual assessments focusing either on a single country or on a discrete program activity were conducted. These reports were either scheduled by external parties (e.g., Inspector General) or scheduled by INL on a one-time basis (e.g., evaluation of USG judicial reform programs in Guatemala). These reports indicate both successes and further improvement opportunities.

Evidence: State Department Office of Inspector General reports: Inspection of Embassy Mexico City (July 2003) and Inspection of Embassy Guatemala City (April 2001)

PART Performance Measurements

Program: International Narcotics Control and Law Enforcement Programs in the Western
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	43%	33%	

Measure: Foreign nation seizures of illicit drugs (measured in U.S. dollars) per INCLE funds expended to support law enforcement interdiction efforts. (Measures the U.S. street value of seizures of cocaine, marijuana, and opium poppy in Mexico, Guatemala, and Jamaica and compares it to INCLE funds expended to support host nation interdiction efforts in the prior year.)

Additional Information: Measures the US street value of seizures of cocaine, marijuana, and opium poppy in Mexico, Guatemala, and Jamaica and compares it to INCLE funds expended to support host nation interdiction efforts in the prior year.

Measure Term: Annual

Year	Target	Actual
2000	Baseline	$93.44
2001		119.06
2002		86.47
2003		83.69
2004	$95	
2005	$100	
2006	$110	
2007	120	

Measure: Disrupt and reduce the flow of cocaine and heroin (measured in metric tons) entering the U.S. arrival zone by improving host government law enforcement interdiction capabilities. The baseline year was 1999, when 341 metric tons of cocaine and 15.25 metric tons of heroin from the Western Hemisphere region entered the U.S. arrival zone. The desired end state is to cut both of these amounts in half by the year 2010.

Additional Information: Measures the estimated supply in metric tons of pure cocaine from Colombia, Peru, and Bolivia and pure heroin from Colombia and Mexico that enters the U.S. arrival zone. The numbers in the "Target" and "Actual" columns represent the metric tons of cocaine and heroine, respectively, that are expected to reach the U.S. arrival zone each year.

Measure Term: Long-term

Year	Target	Actual
1999	Baseline	341; 15.25
2000		307; 12.23
2001		344; 19.08

2002		354; 12.68
2003		227; 16.21
2004	210;12.2	
2005	200; 11.4	
2006	190; 10.6	
2007	185; 10	

Measure: Foster host nations' ability to combat narcotics, as measured by host nations' progress in implementing effective legal, institutional and programmatic reforms.

Additional Information: Through diplomacy and program support, INL works with host countries and international organizations to foster political commitment, institutional reform and anti-narcotics capabilities. The Multilateral Evaluation Mechanism (MEM), managed by the Organization of American States (OAS), is used to evaluate progress. Countries receive an independent evaluation biannually on 82 indicators. Progress is evaluated in ensuing years resulting in a grade of "completed", "in progress" or "not started". Target and Actual percentages represent "recommendations completed" and "recommendations in progress," respectively.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	17%; 54%
2003		25%; 57%
2004	30%; 55%	
2005	35%; 50%	
2006	38%; 50%	
2007	40%; 50%	
2008	45%; 45%	
2009	50%; 40%	

2010	55%; 35%	

Measure: Reduce the potential harvest of opium and marijuana in Mexico through effective aerial eradication efforts. (Percentages represent the amount of opium and marijuana aerially eradicated, respectively, out of total amounts cultivated.)

Additional Information: Measures effective aerial eradication of opium and marijuana in Mexico. Percentages represent the amount of opium and marijuana aerially eradicated, respectively, out of total amounts cultivated.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	29%; 23%
2004	35%; 40%	
2005	45%; 45%	
2006	60%; 55%	
2007	80%; 75%	

Measure: Increase the host governments' ability to intercept transient drug supplies as measured by the seizure rates of cocaine and heroin compared to the estimated supply.

Additional Information: Measures the interdiction efforts of INL-supported law enforcement agencies in host countries to disrupt the flow of cocaine and heroin headed to the US by comparing the amount seized over the estimated amount transiting through the region. Percentages represent the amount of cocaine and heroine seized, respectively, out of estimated total supply.

Measure Term: Annual

Year	Target	Actual
1999	Baseline	9.3%; 2.1%
2000		8.9%; 2.6%
2001		9.0%; 1.7%
2002		7.7%; 3.7%
2003		13%; 2.3%
2004	15%; 5%	

Program: International Narcotics Control and Law Enforcement Programs in the Western
Agency: Department of State
Bureau: Bureau of International Narcotics & Law Enforcement Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Adequate
100%	75%	43%	33%	

2005	20%; 7.5%
2006	22.5%; 10%
2007	25%; 15%

Measure: Increase number of host nation narcotrafficking arrests.

Additional Information: Shows the percentage increase over number of narcotrafficking arrests in baseline year of 2000.

Measure Term: Annual

Year	Target	Actual
2000	Baseline	17927
2001		0.58
2002		0.73
2003		0.59
2004	0.7	
2005	0.75	
2006	0.8	
2007	0.85	

OMB Program Assessment Rating Tool (PART)

Direct Federal Programs

Name of Program: Military Assistance to New NATO and NATO Aspirant Nations

Section I: Program Purpose & Design (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Is the program purpose clear?*	Yes	Program purpose is clear, to promote U.S. national security by promoting regional stability; strengthening democratic governments and thus, reducing conflict and the likelihood of war. Funds enable key allies and friends to improve legitimate defense capabilities.	Foreign Assistance Act of 1961 (as Amended),FY 2003 Budget Justification Materials, State Department Performance Plans.	20%	0.2
2	*Does the program address a specific interest, problem or need?*	Yes	Provides resources to meet highest priority gaps or deficiencies in recipient military and defense capabilities promoting effectiveness and professionalism of miiltary forces, rationalization, standardization and interoperability of the defense forces of the new NATO and aspirant countries with the U.S. Armed Forces, particularly enhancing the ability of partner forces to operate with NATO; and develop as strong candidates for NATO membership.	FY 2003 Budget Justification Materials and 2002 Congressional testimony of State Department's Assist. Secretary for European Affairs and that of the Commander in Chief US Forces Europe (EUCOM). These address specific US foregin policy interests and objectives.	20%	0.2
3	*Is the program designed to have a significant impact in addressing the interest, problem or need?*	Yes	The program funds projects, programs and activities in all three new NATO countries (Hungary, Poland, and the Czech Republic) as well as in the nations aspiring to NATO membership (Estonia, Latvia, Lithuania, Bulgaria, Romania, Slovakia, Slovenia, Macedonia, and Albania). This funding addresses weaknesses and gaps in the countries' defense capabilities that are identified and prioritized by NATO and USEUCOM.	FY 2003 Budget Justification Materials; Report to Congress on Partnership for Peace through July 15, 2002; Annual Report to Congress on US Assistance to and Cooperative Activities with Eurasia. For example, the newly operational NATO-compatible air sovereignty operations (ASOC), which have been procured by several aspirants and NATO members. Communications equipment for new NATO members and aspirants' armed forces.	20%	0.2

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?*	Yes	The program plays a key role in assisting participants with their military, security and defense reforms and is not duplicative of other Federal, state, local or private efforts. While US funding may displace some recipient country funding,US resources can be used to augment recipient country spending or actions. These programs also achieve US foreign or security policy goals. For example, International Military Education and Training ensures a cadre of English speaking personnel and officers familiar with western military doctrine, which facilitates inter-operability and peacekeeping missions.	FY 2003 Budget Justification Materials; GAO Report to Congress. "NATO United States' Assistance to the Partnership for Peace"; annual Congressional testimony of State and Defense Department officials.	20%	0.2
5	*Is the program optimally designed to address the interest, problem or need?*	Yes	The program's objective is to assist countries reform their militaries by funding programs to fill gaps in military capabilities defined by NATO and US military requirements. Programs proposed by Defense officials at the Embassy level [often the security assistance officer (SAO), who commands the Office of Defense Cooperation , or ODC and/or DAO in the Embassy] are coordinated with political objectives at the Embassy, State Bureau and Departmental levels as well as the Presidential (NSC staff and OMB) level.	The ability of the US to call upon the new NATO and NATO aspirant nations and obtain military units and other support for Operation Enduring Freedom and peacekeeping operations in the Balkans helps confirm the soundness of the program's design.	20%	0.2
Total Section Score					**100%**	**100%**

Section II: Strategic Planning (Yes,No, N/A)

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score

1	*Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?*	Yes.	The program's key long-term goals are identified for each recipient country and include military reform (force modernization), building a recipient's military, defense and security capabilities in specific areas. These are areas where long-term performance can be measured not by inputs such as the numbers of items procured and the equipment acquired to support specific units. U.S. Foreign Military Financing (FMF) and IMET funding assistance is allocated to those countries and performance goals of highest priority consistent with our foreign policy interests. FMF/IMET funding levels annually build on prior year activities and efforts to ensure continual progress toward outcome goals for each country.	Examples of country-specific, long-term outcome goals include: (1) English language proficiency; (2) equipment interoperability (i.e., communication equipment); (3) improvement of infrastructure (e.g., Bulgaria airfield upgraded to better accommodate receipt of NATO aircraft). SEEBRIG and BALTBRIG. Country forces and capabilities for these are presented in the MAP for each aspirant country; the MAP identifies the capabilities the country lacks that are most important for NATO and USEUCOM. See President's Report to Congress on NATO Expansion, July, 2002.	14%	
2	*Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?*	YES	Discrete, quantifiable, and measurable performance goals for each country are established in US Embassies' annual Mission Performance Plans, NATO Membership Action Plans, and in consultations between U.S. and individual aspirant countries through NATO.	These specific goals include, for example, the number of personnel trained;and the numbers and types of equipment to be acquired for support of specific units needed to develop an identified capability, or performance goal.U.S. FMF/IMET funding is allocated to those countries and performance goals of highest priority consistent with our foreign policy interests. FMF/IMET needs to annually build on prior year activities and efforts to ensure continual progress toward long-term goals for each country. For example, the FY 2003 budget for Bulgaria will provide training and special equipment for special operations forces; this is critical to facilitate communication with US and NATO units during missions and exercises.	14%	0.1

3	*Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?*	NO	The State Department process for developing the FMF and IMET annual country program plans to meet shared long-term goals is the following: The Office of Defense Cooperation (ODC) works with the host nation MOD/armed forces to determine goals and objectives, to develop the Five Year Defense Plan and aspirant MAPs. Planning is directly related to PfP goals: strenthening cooperation between NTO and PfP countries; enhancing interoperability; facilitating compatibility with NATO practices. In parallel, ODC works with the US Embassy team to develop and establish security assistance data for the annual Mission Performance Plan including recommendations for FMF/IMET resources and objectives.This input is integrated into the interagency decision making process to address competing priorities and broader FMF objectives.The Defense Department has a separate process to look at solely military goals, which is not scheduled to coincide with and input to the State Department's process.	Not all partner countries adequately support the planning for improving capabilities and increasing support to NATO. Because State and Defense have separate processes for determining and prioritizing the needs of recipient nations, at times ad hoc coordination between the two processes is necessary to harmonize varying views.	14%	
4	*Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?*	YES	State coordinates security assistance programs with program managers, SAOs, country desks at the country level with programs such as border security, justice, and democracy building in the aspirant countries. Programs also include Joint Combined Exercise and Training (JCET), DoD funded Warsaw Initiative Exercises.		14%	0.1
5	*Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?*	NO	This has been delegated to DOD as the implementing agency. The FMF program and processes are evaluated and reported annually to Congress. While there are no regular, independent evaluations due to the lack of funding for this specific purpose, OSD and EUCOM conduct comprehensive defense assessments based on an "as needed basis." Programs are modified as necessary based on emergent requirements, e.g. Sept. 11.	Congressional Reports on Assistance; Foreign Military Financing; Annual Report to Congress on US Assistance to and Cooperative Activities with Eurasia. No independent review of use of the material provided is regularly accomplished.	14%	

6 *Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?*	YES	DOD has incorporated itemized budgets in the planning process, and budgets reflect priorities of the US interagency as well as the recipient. The MAP, PARP, TEP and the ODCs Five Year Defense Plans are fed into the FMF/IMET budget formulation and submission web tool (developed by DSCA in conjunction with State-PM to support the military assistance budget process) and used to identify and prioritize goals and objectives. Note: the FMF/IMET web tool contains information on national security priorities of individual countries and, therefore, is not publicly available. Yes, annual performance goals are set before budgets are developed.	NATO Membership Action Plan (MAP), Planning and Review Process (PARP), Theater Engagement Plan (TEP), Five Year Plans, Mission Performance Plan (MPP); Bureau Performance Plan (BPP); Congressional Budget Justification; Testimony etc.	14%	0.1
7 *Has the program taken meaningful steps to address its strategic planning deficiencies?*	YES	In FY02 , the State Department, in conjunction with the Department of Defense, established a web tool/database that allows the USG to identify goals and objectives in priority order as well as reflect performance indicators and progress. In future years, the web tool will also be used to report results against the prior years' goals and objectives. The web tool requires ODCs to list specific objectives and justify each. Programs and schedules will be adjusted or extended as necessary to reflect actual funding and attainment of annual performance goals.	The tool's web site includes a document addressing web tool development. The web tool is instrumental in enabling programs and time lines to be adjusted/extended as necessary to reflect actual funding/performance. Political pressure is being used to get countries to comply with obligations and commitments.	14%	0.1
Total Section Score				**100%**	**57%**

Section III: Program Management (Yes,No, N/A)

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score

1	*Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?*	YES	Annually, program contracts are monitored and managed by the ODCs, EUCOM, DSCA. Formal annual reporting and review occurs through a variety of mechanisms, including Training Program and Management Review, Mission Program Plan (MPP), Theater Engagement Plan (TEP) and the annual budget. The web tool will require Embassies to report performance results against each years' objectives. 2002 is the first year for which these results will be reported, so use of this information in future years planning has not yet been documented.	MPPs, BPPs, annual budget justifications. In addition, the web tool allows the ODCs to report performance results against each years' FMF and IMET objectives. 2002 is the first year for which these results will be reported. IMET program is reivewed annually , mid-fiscal year to review goals of current fiscal year IMET and establish priorities for upcoming fiscal year.	14%	0.1
2	*Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?*	YES	NATO aspirants and new NATO members are to meet specific NATO and MAP goal objectives within timelines associated with NATO enlargement and NATO coalition operations. FMF assistance is targeted at specific equipment/ training needs consistent with US foreign policy objectives.	Annual MPP and BPP reviews in the State Department. OMB examiner reviews of program budget requests; examiner trip to EUCOM and Hungary. The USG program managers also participate in annual management reviews with host nations at the acquisition level. As U.S. acquistion community is acquiring special equipment, it is held accountable by Defense Federal Acquisition Regulation to ensure that cost, schedule and performance goals for the acquisition program are met.	14%	0.1
3	*Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?*	YES	FMF funds are obligated upon apportionment allowing for immediate implementation of programs or are obligated and expended (IMET) in the fiscal year appropriated. Once obligated, scheduling difficulties may be encountered committing the funds given country-by-country differences in budgeting cycles and the inability to guarantee specific funding in subsequent years. In certain instances, countries will carry over previous year FMF funds and combine them with current year FMF funds in order to procure more expensive projects, i.e. Poland for its frigate and helicopter program.	Financial performance is reported quarterly on the SF-133 report. State, Defense, and OMB staffs review results during the budge process. OMB staff also review results through field trips.	14%	0.1

4 *Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?*	No	Primary incentive is political as FMF plays a significant role in bilateral military and security relationships; However, procedures used are consistent with Federal Acquisition Regulations and other contracting processes and procedures required to ensure efficient and effective use of funds.	Military services are obliged by Defense Federal Acquistion regulation to ensure that weapon system acquisitions are made by the most economic and efficient means possible. IMET is made as economic as possible by using U.S. military and DoD schools to train personnel of recipient countries.	14%	0.0
5 *Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?*	YES	Estimates and budgets developed include the full annual costs for operating the program, however, as events occur in the execution year, it is often difficult to anticipate budget/funding needs. As funding levels increase or decrease (as witnessed this past year - shifted), performance expectations likewise will increase or decrease accordingly.	There is a specific line within the FMF/IMET budget for general administrative costs and expenses.	14%	0.1
6 *Does the program use strong financial management practices?*	YES	FMF and IMET programs are implemented and subsequently managed by DOD, which follow specific administrative financial guidelines in acquisition of articles or services in accordance with Defense Federal Acquistion Regulation.	Federal Acquistion Regualation (FAR); Defense Security Cooperation Agency (DSCA) Reports; Letters of Agreement (LOAs).	14%	0.1
7 *Has the program taken meaningful steps to address its management deficiencies?*	YES	Database reviews, yearly Security Assistance Conferences held at the CINC headquarters and bilateral working groups with host nations help identify those areas that require improvement. Strategic use of the Web based budget too surfaced during a review.	Input from posts can now be placed on the Security Assistance Office (SAO) tool found on the web. EUCOM Security and Defense Cooperation and Armament Conferences address management improvement. Bilateral working groups, tri-service and program management reviews (during execution phase) also review management practices and implement changes as identified.	14%	0.1
Total Section Score				**100%**	**86%**

Section IV: Program Results (Yes, Large Extent, Small Extent, No)

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score

1	*Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?*	Large Extent	FMF reflects adequate progress in achieiving long-term goals, although this is a dynamic not static process/program which is not easily measured. Progress is assessed in reviews for budget development in DOS Strategic Plan, MPPs, BPPs or Senior Review documentation.	Presence of new NATO and aspirants in operations in the Balkans and Afghanistan; intelligence and logistical cooperation with those operations and the GWOT. Annual testimony of the CINCEUR. Annual Report to Congress on US Assistance to and Cooperative Activities with Eurasia.	25%	0.2

Long-Term Goal I:	To strengthen the defense capabilities, meet common identified security needs and promote defense cooperation with new NATO and NATO aspirant countries.
Target:	To have countries budget 2% of their GDP for defense. Facilitate interoperability with NATO.
Actual Progress achieved toward goal:	Only Bulgaria, Poland, Romania, and the Czech Republic currently meet this goal. Others have plans in place to achieve them by a date certain in the future. Only one has not developed such a plan. Selected units within new NATO members and aspirants' militaries are communicating with each other on compatible radios.
Long-Term Goal II:	To improve key capabilities of friendly countries to contribute to international crisis response operations, including peacekeeping and humanitarian crises.
Target:	To develop military forces that can operate with NATO in peacekeeping operations. Development based on individual country goals to
Actual Progress achieved toward goal:	Numerous countries' participation in OEF, ISAF, SFOR, and KFOR; in Afghanistan and in the Arabian Gulf. Among others, the Baltic countries, Bulgaria, and Romania have contributed forces to the Balkans and /or Central Asia/Caucasus; Czech medical unit in OEF.
Long-Term Goal III:	To reform militaries by downsizing and modernizing military force structures, by incorporating transparency in national defense planning and budgeting processes and setting in place mechanisms for democratic control of defense forces.
Target:	To assist new NATO and aspirant countries to implement a Planning, Program, and Budgeting System (PPBS) that can support their militaries .
Actual Progress achieved toward goal:	Most new NATO and aspirants have a PPBS system in place or are designing one for implementation in the next two years. Only Slovenia is planning for a PPBS system delayed (probably because of the size of the armed forces.) It will take time to fully develop PPBS and master in order to plan and manage in the most effective and efficient way.

2	*Does the program (including program partners) achieve its annual performance goals?*	Large Extent	U.S. defense articles and services are provided annually to assist recepients with their military reforms. The annual goals (eg., equipment deliveries and IMET programs) contribute to achieving the long-term goals.	Annual Report to Congress on US Assistance to and Cooperative Activities with Eurasia. Annual testimony of the CINCEUR. MPP development and review. Air Soereignty Operations Center (ASOC) in Baltics now allows sustained performance goald of maintianing air surveillance capability over the Baltic region.	25%	0.2

Key Goal I:	Improve selected military capabilities as outlined in the NATO and Embassy country plans.
Performance Target:	Countries budget and expend at least 2% of their GNP on defense.
Actual Performance:	Four countries have achieved this goal.
Key Goal II:	Modernize force structure and military capabilities within a country's ability to sustain.

	Performance Target: Military reform plan approved by the Executive and budgeted.					
	Actual Performance: Six out of the ten new Nato and aspirants have a military reform plan in development or being implemented.					
	Key Goal III:		Contributions to US-supported operations.			
	Performance Target:		Obtain at least logistical and intell support from all nations.			
	Actual Performance:					
3	*Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?*	YES	Efficiencies and cost effectiveness can be seen in progression made by aspirants in interoperability and standardization with NATO forces. This is evidenced by partner countries participating effectively in NATO-led peace operations in the Balkans.	GAO Report to Congress. "NATO United States' Assistance to the Partnership for Peace"(July 2001). Other examples include OEF participation.	25%	0.3
4	*Does the performance of this program compare favorably to other programs with similar purpose and goals?*	N/A	There are no other programs like this to compare to.	Annual Report to Congress on US Assistance to and Cooperative Activities with Eurasia;		
5	*Do independent and quality evaluations of this program indicate that the program is effective and achieving results?*	Large Extent	GAO review concludes that PfP programs have enhanced the capabilities of partner countries and have improved their ability to operate with NATO, thus making them better candidates for membership in the alliance.	GAO Report to Congress. "NATO United States' Assistance to the Partnership for Peace" . However, such evaluations are not performed on a regular basis.	25%	0.2
Total Section Score					**100%**	**75%**

PART Performance Measurements

Program: Nonproliferation & Disarmament Fund
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	80%	

1.1 **Is the program purpose clear?** Answer: YES Question Weight 20%

Explanation: The Nonproliferation and Disarmament Fund (NDF) has broad authority to work against proliferation worldwide and respond quickly and effectively to unanticipated or unusually difficult nonproliferation requirements and opportunities by funding and executing specific projects.

Evidence: Section 504(a) of the FREEDOM and Support Act of 1992; NADR; Chapter 9 of the Foreign Assistance Act; the NDF Guidelines; and numerous NDF projects completed and underway. BPP Evidence: A/S Statement:

1.2 **Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight 20%

Explanation: The NDF program addresses the ongoing worldwide problem of the proliferation of weapons of mass destruction (WMD) through the development and execution of of carefully selected projects to: 1) halt the proliferation of nuclear, radiological, biological and chemical weapons; 2) destroy or neutralize existing weapons of mass destruction, their delivery systems, related sensitive materials, and conventional weapons. 3) Limit the spread of advanced conventional weapons, their delivery systems, and related technologies.; and 4) track, control and secure dangerous materials, including fissile material, radiological material, biological pathogens, and chemical agents.

Evidence: Presidential statements, WMD goal from State's Strategic Plan, Section 504(a) of the FREEDOM and Support Act of 1992; NADR; Chapter 9 of the Foreign Assistance Act;the NDF Guidelines; intelligence related to the existance of known WMD programs in rogue states. BPP Evidence: A/S Statement:

1.3 **Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight 20%

Explanation: The NDF is specifically designed to support U.S. diplomatic efforts to secure, remove, and destroy weapons of mass destruction, their delivery systems and advanced conventional weapons. Its focus is on unanticipated or unusually difficult projects that need to be done on an urgent basis but for which no diplomatic agreement exists between the concerned governments to undertake the project. The NDF accepts only proposals determined not to be redundant of other efforts and every NDF proposal is reviewed with this in mind by interagency representatives at the Assistant Secretary level. All decisions on whether to approve the use of NDF funds are made by the Undersecretary for International Security Affairs.

Evidence: Decision memoranda establishing the NDF; Section 504(a) of the FREEDOM and Support Act of 1992; Congressional report language, NDF Guidelines, specific NDF proposal and project documentation, and NP decision memoranda and congressional notification documents. BPP Evidence: A/S Statement:

Program: Nonproliferation & Disarmament Fund
Agency: Department of State
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Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	80%	

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%

Explanation: The NDF Program design is clear, simple, and effective. Unanticipated and unusually difficult problems and the subsequent expenditure of U.S. financial and personnel resources on high-risk projects with little notice require a rigorous and high-level review of proposed projects. Both the NDF Review Panel and the decision-making Under Secretary have been rigorous in their programmatic review and have disapproved a significant percentage of the proposals brought before them. The NDF has oversight and management responsibility for all of its funds, including programmatic execution. NDF operates worldwide and its funds are made available until expended notwithstanding any other provision of law.

Evidence: Decision Memoranda establishing the NDF; 504 (a) of the FREEDOM Support Act; 515 of the Foreign Operations, Export Financing and Related Programs Appropriations Act under the heading Nonproliferation, Anti-terrorism, Demining and Related Programs; NDF Review Panel meeting decision memoranda, the percentage of proposals disapproved by the Under Secretary, OIG reports, bureau review and the percentage of completed projects executed successfully. BPP Evidence: A/S Statement:

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: Presentation language, and the purpose described in the above explanation for section 1.1. The Under Secretary and the NDF Review Panel (Assistant Secretary level) determine that all proposals directly support the NDF Program's purpose. Each approved project must have a sharp focus with concrete and measurable outcomes e.g., missiles destroyed, HEU removed or secured, etc. The limitation of project scope to concrete outcomes ensures that project resources can be targeted on specific work requirements and permits the NDF to assign a project manager with full authority to execute the project on behalf of the USG.

Evidence: NDF Review Panel meeting decision memoranda; NDF decision summaries; NDF project proposals; Interagency Acquisition Agreements (IAA); contracts; NDF project files; the NDF Annual Report; NDF financial reports and spreadsheets; reporting cables; and Congressional notification documents. BPP Evidence: A/S Statement:

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 13%

Explanation: Long term measures have been developed and progress continues on further development of performance measures to tie them to budget requests.

Evidence: Specific NDF project files; newspaper articles; reporting cables; the NDF Annual Report; NDF oversight and verification procedures; contracts; statements of work; agreements or MOU's with foreign governments and other USG agencies; review of contracts by the State's Office of Acquisition contracting officer; and NDF project manager's oversight of each NDF project and associated contract. BPP Evidence: Goal Papers:

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 13%

Explanation: See goal paper.

Evidence: BPP Evidence: Goal Papers: See goal paper.

Program: Nonproliferation & Disarmament Fund
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	80%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:13%

Explanation: Each NDF project, while not on an annual schedule, has specific performance measures that are clearly set forth in the Under Secretary's decision summary. Thus, throughout the year, specific projects are undertaken with specific short-term performance measures that clearly support the longterm goals of the NDF e.g., missile destruction, securing/destroying chemical agents, etc.

Evidence: NDF Decision Memoranda, NDF Guidelines, specific NDF project files, NDF's CPD, NP BPP and the State's Strategic Plan. BPP Evidence: Goal Papers:

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight:13%

Explanation: The NDF seeks to complete successfully and within budget 100% of those projects assigned to the NDF each year by the decision- making Under Secretary. Annual progress is tracked within the context of each project, each of which has clear objectives set forth in the decision summary.

Evidence: NDF's Project Management and Financial Database System, the NDF Annual Report, other NDF reporting documents, NP BPP, and State's Strategic Plan. BPP Evidence: Goal Papers:

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:13%

Explanation: Each NDF project manager works closely with contractors, USG agencies, and foreign governments to ensure that all commit to and work toward the specific goals of each project. NDF partners have historically been dedicated to the successful outcome of NDF projects.

Evidence: NDF contracts; Interagency Acquisition Agreements; agreements and memoranda of understanding with foreign government; project files; reporting cables; progress reports; interviews with contractors and foreign governments; Federal Acquisition Regulations; NDF oversight and verification procedures. BPP Evidence: Goal Papers:

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight:13%

Explanation: The results of all NDF projects are verified often by DOE, the VC bureau, U.S. Embassies abroad, and foreign governments, and, where appropriate, by NDF or NP personnel. NDF projects are also subject to regular in-house evaluations. The NDF program is periodically inspected and audited by State's OIG and has, in the past, been subject to review by the bureau. All past inspections, audits and reviews have been favorable and useful to NDF management. A new round of audits will begin in the fall of 2003 and the OIG is scheduled to inspect the NDF again in 2004.

Evidence: OIG inspection and audit reports; in-house evaluations; specific NDF project files; Embassy cables, newspaper reports; video footage; eyewitness accounts; and NDF verification procedures. BPP Evidence: Goal Papers:

Program: Nonproliferation & Disarmament Fund
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	80%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight: 13%

Explanation: Success by the NDF in meeting past challenges destroying missiles, securing/removing highly enriched uranium (HEU), developing automated tracking systems for use by foreign governments, and eliminating chemical agents in a timely and cost-effective manner provides a critical element in justifying funding for the NDF. Development of long-term goals for this program continue to make progress but are not yet sufficiently defined to tie explicitly to a funding request.

Evidence: NDF Congressional Budget Presentation; NP BPP; and State's Strategic Plan.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: The NDF Program requires periodic refocusing as the political and diplomatic environment changes. Following the events of September 11, 2001, the NDF began to focus not only on unanticipated opportunities but also on the need to drive new policy initiatives to secure dangerous materials and to expand its reach into the Middle East and South Asia.

Evidence: Congressional Budget Presentation for FY 2004; Dangerous Materials Initiative (DMI) background papers; NP BPP documentation for FY 04 and FY 05; proposals under development; and State's Strategic Plan. BPP Evidence: Goal Papers:

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 14%

Explanation: The NDF collects real-time information on ongoing projects through its Project and Financial Management System that supports program and project management. NDF tightly monitors ongoing projects, often using on-site NDF staff to provide day-to-day supervision of contractors, and verifies that work is being performed consistent with the approved project performance goals. This information enables NDF to target finite resources efficiently (e.g., if a project is suspended due to weather, tight monitoring enables NDF to reassign oversight staff resources to other projects).

Evidence: NDF project files; NDF Project and Financial Management System; NDF and Trackernet networks; and MOU progress reports. Evidence: BPP Evidence: Goal Papers:

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight: 14%

Explanation: The NDF does not have legal authority to expend funds for any projects beyond those approved by the Under Secretary. Any cost overrun would require a new NDF proposal, a review of the proposal by the NDF Review Panel, approval of the proposal by the Under Secretary, and notification of the approved proposal to Congress. All program partners are held accountable through contracts, agreements, MOU's, or other legal documents. All NDF project managers are held accountable by NDF management.

Evidence: Contracts; MOU's; specific NDF project files; OIG inspection and audit results; NDF decision summaries; and Congressional documents. BPP Evidence: Goal Papers:

Program: Nonproliferation & Disarmament Fund
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	80%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES   Question Weight: 14%

Explanation: Funds are obligated promptly to meet specific implementation requirements within each NDF project. After a project has been approved and has been before the Congress for 15 days without congressional objection, and as soon as the necessary implementation contracts and/or other documents have been put in place, the NDF begins a series of obligations to cover project costs. Funds are spent only to support the approved objectives of the project.

Evidence: NDF's Project and Financial Management System; State's Consolidated Financial Management System; NDF project files; and Interagency Acquisition Agreements and other forms of fund transfers. BPP Evidence: Goal Papers:

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES   Question Weight: 14%

Explanation: The NDF is an innovator in the use of new technologies to implement projects abroad. It has its own network that permits the NDFproject managers in the field (often hundreds of miles from the U.S. Embassy) to communicate directly with the NDF home office to ensure that projects are efficiently executed. It has built its own Project and Financial Management System, uses video and still cameras to monitor and verify project performance, and operates websites to support countries and contractors who work with the NDF. The NDF also has a NDF Procedures Manual that is used to guide the work of NDF staff, particularly new or junior members of the staff.

Evidence: NDF Procedures Manual; NDF and Trackernet networks; NDF Project and Financial Management System; NDF and Trackernet websites; NDF video systems; and specific NDF project files. BPP Evidence: Goal Papers:

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: YES   Question Weight: 14%

Explanation: The NDF is specifically designed to support U.S. diplomatic efforts to secure, remove, and destroy weapons of mass destruction, their delivery systems and advanced conventional weapons. Its focus is on unanticipated or unusually difficult projects that need to be done on an urgent basis but where no diplomatic agreement exists between the concerned governments to undertake the project. The NDF accepts only proposals determined not to be redundant of other efforts and every NDF proposal is reviewed with this in mind by an interagency review panel at the Assistant Secretary level. All decisions on whether to approve the use of NDF funds are made by the Under Secretary for International Security Affairs. To be effective, the NDF often partners with other USG programs to get necessary work done. Examples of this coordination include: removing HEU from Kazakhstan where State, Defense, and Energy all played critical roles, nuclear portal monitors in the FSU where the NDF has worked wit

Evidence: Decision Memoranda establishing the NDF; Section 504 (a) of the FREEDOM Support Act of 1992; NADR; Congressional report language; NDF Congressional Budget Presentation; NDF Guidelines, NDF Review Panel memoranda; and newspaper articles. BPP Evidence: Goal Papers:

Program: Nonproliferation & Disarmament Fund
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	80%	

3.6 Does the program use strong financial management practices?

Answer: YES   Question Weight: 14%

Explanation: The NDF has a long history and established reputation of taking financial management seriously. As part the NDF's establishment, NDF management sought Under Secretary level approval for its Fund Control Process, assigned a high priority to the development of a Project and Financial Management System to support program management, and decided to initiate periodically requests for audits and evaluations. NDF funds are not obligated absent approval of the project by the decision-making Under Secretary, Congressional notification, and a signed contract or other documents that fully justify expenditure of NDF funds. The State Department has deployed a new effective financial management system, compliant with federal system requirments.

Evidence: NDF decision summaries; NDF establishment memoranda; NDF Fund Control Process; NDF Procedures Manual; NDF Project and Financial Management System; Federal Acquisition Regulations; OIG inspections and audits; and State's Consolidated Financial Management System. BPP Evidence: Goal Papers:

3.7 Has the program taken meaningful steps to address its management deficiencies?

Answer: YES   Question Weight: 14%

Explanation: The NDF is always taking steps to improve its management of project and financial resources. During past OIG inspections and audits, NDF staff moved quickly to resolve any and all problems identified. For example, during an audit on the NDF Project and Financial Management System, a software engineer was assigned to work with the assigned auditor on a full time basis to ensure that changes were made quickly. Likewise, problems with specific projects are identified early and decisions on solutions are made almost immediately.

Evidence: NDF decision summaries; NDF Project and Financial Management System; NDF Procedures Manual; OIG inspection and audit results; NDF reports and spreadsheets; and NDF in-house evaluation of projects. BPP Evidence: Goal Papers:

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?

Answer: SMALL EXTENT   Question Weight: 30%

Explanation: The NDF has documented successes in achieving it's nonproliferation goals but as a fund for which annual requirements are determined only after funds are appropriated, development of long-term goals has provided difficult. A draft long-term measure is included in the PART reflecting the overall management goal of the program that is to achieve and maintain a capability respond as needed often unanticipated nonproliferation and disarmament priorities. The program has a long list of accomplishments including elimination of all SCUD and SS-23 missiles in Central Europe; removed Highly Enriched Uranium (HEU) from Serbia; assisted in the removal of HEU from Kazakhstan and Georgia; destroyed the Category I missile infrastructure in South Africa; and deployed nuclear detection equipment throughout the FSU, Central Europe, and Turkey.. NDF program managers have made progress on developing long-term quantifiable goals but further action is needed..

Evidence: Specific NDF project files; newspaper articles; reporting cables; the NDF Annual Report; NDF oversight and verification procedures; contracts; statements of work; agreements or MOU's with foreign governments and other USG agencies; review of contracts by the State's Office of Acquisition contracting officer; and NDF project manager's oversight of each NDF project and associated contract. BPP Evidence: Goal Papers:

Program: Nonproliferation & Disarmament Fund
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	80%	

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: YES Question Weight: 30%

Explanation: The NDF Program achieves its short-term performance goals by executing successfully and within budget those projects assigned to it by the Under Secretary during the course of a fiscal year. The establishment of timetables for the execution of the NDF projects approved each fiscal year would in most cases be inappropriate and, in some cases, be contrary to the interests of the USG.

Evidence: Specific NDF project files; the NDF Project and Financial Management System; State's Consolidated Financial Management System; the NDF Annual Report; Interagency Acquisition Agreements and associated progress reports; completion of contracts; and Federal Acquisition Regulations. BPP Evidence: Goal Papers:

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: YES Question Weight: 10%

Explanation: Efficiencies within the program continually increase as a result of extensive experience gained over the course of close to a decade. Today, the NDF undertakes projects of far greater complexity than it could in the past. For example, missile destruction projects now include hard-to -eliminate solid rocket motor systems, HEU can be removed quickly and quietly, complex and technologically challenging software is being built faster, and long-term project management is now part of the NDF skill set. These increased efficiencies are illustrated by the technological and diplomatic sophistication of the long-term Tracker program, the size and complexity of missile destruction projects, and the successful removal of HEU from Yugoslavia in August, 2002.

Evidence: NDF Review Panel Procedures; NDF project files; contracts; NDF Project and Financial Management System; State's Consolidated Financial Management Database; NDF proposal submission process; and the NDF Procedures Manual. BPP Evidence: Goal Papers:

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: YES Question Weight: 10%

Explanation: The NDF Program is effective in meeting its performance goals and thus compares favorably with other related USG nonproliferation programs. Historically, it has proven able to execute projects more quickly, more cost-effectively, and more quietly than larger programs or international organizations.

Evidence: Annual Congressional report language; OIG reports; Congressional testimony; specific project files; and the percentage of projects completed successfully. BPP Evidence: Goal Papers:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: YES Question Weight: 20%

Explanation: Independent evaluations of the NDF Program and its projects have indicated a successful Program that has achieved both its long-term and short-term goals. Extensive new audits (at the NDF's request) are expected to begin in the fall of 2003, and State OIG expects to inspect the NDF Program in FY 2004.

Evidence: Verification of NDF project results by DOE, the VC bureau, U.S. embassies abroad, foreign governments, and on occasion the press; OIG audits and inspections; and NDF in-house evaluations of projects. BPP Evidence: Goal Papers:

PART Performance Measurements

Program: Nonproliferation & Disarmament Fund
Agency: Department of State
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Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	80%	

Measure: Ratio of total Administrative Costs to Program Costs

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	0.05	0.05
2004	0.049	
2005	0.048	
2006	0.047	
2007	0.046	

Measure: Average Number of proliferation and strategic threats eliminated

Additional Information: Projects approved annually that eliminate proliferation and strategic threats to the United States.

Measure Term: Long-term

Year	Target	Actual
2003	11	11
2004	12	
2005	15	
2006	15	
2007	15	

PART Performance Measurements

Program: Nonproliferation & Disarmament Fund
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Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	80%	

Measure:

Additional Information:

Year	Target	Actual

Measure Term: Annual

Measure: Number of countries engaged in the Tracker program: Total number of countries cooperating and participating in system development and number of countries where system is installed.

Additional Information: The tracker system is an export licensing system under development in concert with a number of countries. Some of the countries participating in development have installed the system

Year	Target	Actual
2002	12 : 8	12 : 8
2003	13 : 9	13 : 9
2004	14 : 10	
2005	15 : 11	
2006	16 : 12	

Measure Term: Annual

PART Performance Measurements

Program: Nonproliferation & Disarmament Fund
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	80%	

Measure: Percentage of NDF projects completed within budget and that meet outcome goals established when the project is approved.

Additional Information: This measure can include completion of projects in the target fiscal year that were initiated in prior fiscal years.

Measure Term: Annual

Year	Target	Actual
2003	100%	100%
2004	100%	
2005	100%	
2006	100%	

PART Performance Measurements

Program: Nonproliferation of WMD Expertise (NWMDE)
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	100%	80%	60%	

1.1 **Is the program purpose clear?** Answer: YES Question Weight 20%

Explanation: Program purpose is to redirect into peaceful, transparent, economically sustaining work scientists and technicans in the former Soviet Union and in other countries whose expertise could be used by WMD proliferant states or terrorists to harm U.S. interests. FREEDOM Support Act authorizes the establishment of science and technology centers to address the proliferation of WMD expertise. The Biotechnology, now Bio/Chem, Redirection program was included under that authority in 1997. Chapter 9 of the Foreign Assistance Act of 2000 moved the science centers program from FREEDOM Support Act to the Foreign Operations appropriations account for nonproliferation, antiterrorism, demining and related programs (NADR). The FY 2000 provision lifted the restriction of funding to only NIS countries. The Bio Industry Initiaitive (BII) is authorized in the Defense and Emergency Supplemental Appropriations Act of FY 2002.

Evidence: a. Sec 503 of the FREEDOM Support Act (22 USC 5851 et seq). b. DoD-State memo of 1996 transferred the Science Center program authority from DOD to State. c. Chapter 9 of the Foreign Assistance Act of 2000 (22 USC 2349bb et seq) d. Defense and Emergency Supplemental Appropriations Act of FY 2002 (P.L. 107-117). BPP Evidence: A/S Statement: Goal Papers: WD. 01 - Bilateral Measures. NP Bureau Goal 9

1.2 **Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight 20%

Explanation: Thousands of scientists who were active in Soviet nuclear, chemical, or biological weapons research and development or in missile and other technologies with WMD applications remain active today. The economic circumstances of many of them, personally and with respect to work environment and opportunity, remain difficult if no longer dire. A 2003 survey of 602 Russian physicists, chemists and biologists, found 20% would consider accepting one-year employment in their professions in either Iraq, Iran, Syria or North Korea. Economic conditions at laboratories in other former Soviet republics are, broadly speaking, more difficult than in Russia. WMD technicians in Iraq and Libya now require alternatives and incentives to counter the purchase of their services by remaining proliferant states or terrorists. Reports indicate Iraqi WMD and missile scientists have been approached by Iran and possibly other countries; Libyan scientists similarly vulnerable.

Evidence: a. 2003 survey of Russian scientists' attitudes, conducted by Dr. D. Ball of Lawrence Livermore National Lab under contract to NP/PTR. Report not yet in the public domain. b. Sensitive reporting. BPP Evidence: A/S Statement: Goal Papers: WD. 01 - Bilateral Measures. NP Bureau Goal 9

1.3 **Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight 20%

Explanation: NP/PTR is the sole manager of U.S. policy input to the two intergovernmental science centers. Bio/Chem Redirect and Bio Industry Initiative have research channels to institutes previously closed to collaborators outside the former USSR. Iraq scientist redirection being designed by NP/PTR-led team detailed to the Coalition Provisional Authority (eventually to American Embassy Baghdad). Libya program being designed jointly by UK officials and NP/PTR-led U.S. team. NSC Sub-PCC views activities across programs to ensure coordination and minimize duplication.

Evidence: Complementary programs: DoE/IPP focuses on market-ready technologies, with mandatory private U.S. financial involvement. Collaborative research with former Soviet institutes by experts at the USDA Agricultrual Research Service, DHHS Public Health Service or Centers for Disease Control, and Environmental Protection Agency is by law coordinated, prioritized, and to a large extent funded by our DOS Bio/Chem Redirection program. NSC Sub-PCC oversees activities in Iraq. STATE is the mission leader for Libya activity. BPP Evidence: Goal Papers: WD. 01 - Bilateral Measures. NP Bureau Goal 9

Program: Nonproliferation of WMD Expertise (NWMDE)
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	100%	80%	60%	

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%

Explanation: NP/PTR reviews program design regularly and modifies as necessary to meet its objectives. 2004 GAO study detected no deficiencies in our engagement programs.

Evidence: GAO study "Nonproliferation, Anti-Terrorism, Demining, and Related Programs Follow Legal Authority, But Some Activities Need Reassessment" BPP Evidence: Goal Papers: WD. 01 - Bilateral Measures. NP Bureau Goal 9

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: Determinations on project funding rest on direct person-to-person contact, open source, and intelligence information confirming the WMD-relevance of researchers' expertise.

Evidence: Science Centers' published guidelines on categorization of WMD expertise, referenced in all grant proposals. BPP Evidence: Goal Papers: WD. 01 - Bilateral Measures. NP Bureau Goal 9

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 13%

Explanation: Long-term performance measures of redirecting scientists into sustainable activity serves two meaningful purposes, moving scientists and institues (1) away from weapons work and (2) toward transparent revenues from non-USG sources. ISTC collection of voluntary data from grant-receiving institutes indicates growing diversity of funding sources.

Evidence: ISTC Insititute Sustainability Survey (not in the public domain). BPP Evidence: A/S Statement: Goal Papers: Targets data entered into BPP/PART Interface. BPP Goal Paper WP.01, Bureau Goal 9

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 13%

Explanation: The program has ambitious but realistic targets, taking into account the complex and evolving environment in which we operate. Soviet weapons science lived off state funding in the absence of market forces or much relationship between productivity and income. While Russia and other successor states grapple with their political, legal and social transition away from Communism, their scientists still lack communication with Western counterparts or appreciation for legal and commercial structures in which their work must find application for them to prosper. Changing the culture and skills of former WMD institutes so that several each year no longer require our aid remains an ambitious target.

Evidence: BPP Evidence: A/S Statement: Goal Papers: Targets data entered into BPP/PART Interface. BPP Goal Paper WP.01, Bureau Goal 9

Program: Nonproliferation of WMD Expertise (NWMDE)
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	100%	80%	60%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 13%

Explanation: Our BPP sets annual progress goals for: institutes "graduated" from reliance on our aid; previously inaccessible institutes opened to Western collaboration and made "transparent"; the ratio of research funding from the US private sector to project funding by our program; and, launch of new biotech enterprises reformed under our Bio Industry Initiative.

Evidence: BPP Evidence: A/S Statement: Goal Papers: Targets data entered into BPP/PART Interface. BPP Goal Paper WP.01, Bureau Goal 9

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 13%

Explanation: BPP identifies annual progress targets against: -- baseline for institute graduation in FY03, when we collected financial data on which to justify graduation of institutes from conventional project funding; -- baseline at inception of program for Bio-Chem Redirection program to access institutes previously closed to non-Soviet/non-Russian personnel; -- 2002 baseline for Bio Industry Initiative to spur reconstitution of "closed" bioweapons production facilities. Program-internal baselines also vary by country, depending on when engagement began. The targets are ambitious but realistic.

Evidence: BPP Evidence: A/S Statement: Goal Papers: Targets data entered into BPP/PART Interface. BPP Goal Paper WP.01, Bureau Goal 9

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 13%

Explanation: The nonproliferation goals and related terms of funding are explicit for all grantee institutes. The science centers' nonproliferation mission is defined in two intergovernmental agreements and endorsed mutually by the United States, European Union, Canada, Japan, other funding states, host states Russian and Ukraine, and other recipient states. Each grant results in a detailed project agreement and work plan by which the science centers phase the release of funds. Bio-Chem Redirection and Bio Industry Initiative projects run through the science centers.

Evidence: Intergovernmental agreements creating the ISTC and STCU establish the nonproliferation mission, affirmed by every member state and ratified by their legislatures. Public statements of nonproliferation policy on www.state.gov, istc.ru and stcu.int. BPP Evidence: Goal Papers: BPP Goal Paper WP.01, Bureau Goal 9

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight: 13%

Explanation: At least 15% of currently-funded projects each year undergo independent audit by the Defense Contract & Audit Agency. ISTC and STCU internal financial procedures also subject to audit by major international accounting firms. NP/PTR staff is advised on program effectiveness throughout the year and in an annual off-site program review by U.S. science advsiers whose own work is WMD-relevant.

Evidence: a. NP/PTR rider to DOS IG umbrella contract with DCAA for overseas financial audit services. b. Survey of 602 Russian scientists conducted by Lawrence Livermore National Laboratory/Univ. of Wisconsin addressed impact of ISTC programs on WMD scientists; future round will survey BW scientists. BPP Evidence: Goal Papers: BPP Goal Paper WP.01, Bureau Goal 9

Program: Nonproliferation of WMD Expertise (NWMDE)
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	100%	80%	60%	Effective

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight:13%

Explanation: BPPs tie resource requests to all annual and long-term performance goals. Bio-Chem Redirection program funds implementing agencies (USDA, DHHS, EPA) that submit annual program plans and quarterly progress reports, which NP/PTR uses to calibrate future budget requests with performance.

Evidence: Congressional Budget Justitification documents submitted to RM. BPP Evidence: Goal Papers: BPP Goal Paper WP.01, Bureau Goal 9

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:13%

Explanation: Program purpose was initially to secure in place scientists and technicans in the former Soviet Union with WMD expertise. A decade later with improved economic circumstances reducing scientists' inclination to work abroad in a "rogue" nation, our strategy has shifted to meet heightened aspirations by helping institutes sustain themselves in the international market of technical research capabilities. NP/PTR conducts strategic program reviews at regular intervals.

Evidence: Reorganization of ISTC and STCU management structure, driven primarily by USG, to emphasize programmatic approach to funding research and capabiltiiers at institutes. BPP Evidence: Goal Papers: BPP Goal Paper WP.01, Bureau Goal 9

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight:10%

Explanation: In 2003 NP/PTR commissioned Lawrence Livermore National Laboratory to survey Russian scientists attitudes towards (a) working in rogue nations and (b) the impact of ISTC programs and project support for the well-being of Russian science. In the same year, at NP/PTR initiative, the Science Centers conducted their own surveys of institutes' economic strength.

Evidence: a. 2003 survey of Russian scientists' attitudes, conducted by Dr. D. Ball of Lawrence Livermore National Lab under contract to NP/PTR. Report not yet in the public domain. b. ISTC Insititute Sustainability Survey (not in the public domain). c. 2002 ISTC-commissioned study by IC3 Institute (Univ. of Texas) assessing ISTC commercialization support. BPP Evidence: Goal Papers: WD.01 - Bilateral Measures Bureau Goal 9

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:15%

Explanation: NP/PTR's Bio-Chem Redirection program provides NADR appropriated funds to USG agencies with technical expertise to collaborate on science in former Soviet Union. Those partner agencies are integrated into our program management, participate in frequent program meetings and weekly conference calls, and are accountable to NP/PTR for conducting research we authorize. They supply formal quarterly reports and more frequent issue-by-issue information on project performance and cost schedules.

Evidence: BCR-funded agencies' quarterly progress reports on their program activities (not in the public domain). BPP Evidence: Goal Papers: WD.01 - Bilateral Measures Bureau Goal 9

Program: Nonproliferation of WMD Expertise (NWMDE)
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	100%	80%	60%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 10%

Explanation: Allotments have generally come from OMB/State RM in March following annual appropriation from Congress. The bulk of allotment is obligated immediately. Funds transferred to the science centers meet U.S. assessment for administrative budget or are held on account for phased payment to scientists according to multi-year work plans. Bio/Chem Redirect funds transferred to implementing agencies (USDA, DHHS, EPA) are in turn transferred to the science centers for release in conformance with work plans.

Evidence: STATE EUR/ACE Annual Report on Assistance to Eurasia documents that PTR programs regularly obligate all funds within the appropirations FY. BPP Evidence: Goal Papers: WD.01 - Bilateral Measures Bureau Goal 9

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: NO Question Weight: 20%

Explanation: Science Centers' professional staff monitors project execution, conformance with work plans and timetables, and production of quarterly and final reports. Audits of ongoing and completed projects feature financial analysis by DCAA and technical assessment by independent scientists engaged by NP/PTR. PTR's management of FSU WMD expertise redirection programs has been scrutinized several times by GAO. However, the program does not have efficiency measures that demonstrate increasing program efficiency and effectiveness.

Evidence: a. Science Center financial regulations b. Science Center procurement regulations c. Science Center travel regulations d. NP/PTR rider to State Department (IG) umbrella contract with DCAA for auditing services. e. GAO reports: GAO-01-582 "Weapons of Mass Destruction: State Department Oversight of Science Centers Program" GAO-01-694 "Cooperative Threat Reduction: DOD Has Adequate Oversight of Assistance, but Procedural Limitations Remain" GAO-01-429 "Nuclear Nonproliferation: DOE's Efforts to Assist Weapons Scientists in Russia's Nuclear Cities Face Challenges" GAO-02-180T "Nuclear Nonproliferation: Coordination of U.S. Programs Designed to Reduce the Threat Posed by Weapons of Mass Destruction" GAO-02-226T "Weapons of Mass Destruction: Assessing U.S. Policy Tools for Combating Proliferation" BPP Evidence: Goal Papers: WD.01 - Bilateral Measures Bureau Goal 9

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight: 20%

Explanation: DoD, DoE and other STATE offices participate in NP/PTR's nonproliferation policy review of projects proposed for funding through the Science Centers, including those destined to be funded by Parties other than the U.S. Bio-Chem Redirection hosts frequent interagency meetings to coordinate the activities of implementing agencies it funds as well the complementary activities of DoD and DoE. Intergovernmental coordination through the science centers and parallel G-8 Global Partnership channels permits NP/PTR programs to leverage U.S. nonproliferation spending with activities of other nations. Iraq and Libya activities are coordinatied under an NSC sub-PCC.

Evidence: a. NSC terms of reference for Nonproliferation Interagency Roundtable b. Science Centers Interagency Policy Review Group c. NSC G-8 sub-PCC d. NSC sub-PCC on Iraq/Libya WMD Redirection BPP Evidence: Goal Papers: WD.01 - Bilateral Measures Bureau Goal 9

Program: Nonproliferation of WMD Expertise (NWMDE)
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	100%	80%	60%	

3.6 Does the program use strong financial management practices?
Answer: YES Question Weight: 15%

Explanation: Extensive auditing of ongoing projects and science centers operations over 10 years has identified NO irregularities.

Evidence: Officers in NP/PTR are trained and certified as Contracting Officer Representatives. BPP Evidence: Goal Papers: WD.01 - Bilateral Measures Bureau Goal 9

3.7 Has the program taken meaningful steps to address its management deficiencies?
Answer: YES Question Weight: 10%

Explanation: During FY03 recruited a full-time, direct-hire financial resources specialist to improve budget preparation, record-keeping and planning.

Evidence: BPP Evidence: Goal Papers: WD.01 - Bilateral Measures Bureau Goal 9

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?
Answer: SMALL EXTENT Question Weight: 30%

Explanation: Program was instrumental in retaining in the former Soviet Union the enormous community of WMD scientists whose world literally collapsed around them in the early 1990s. Original program goal was to cope with that emergency situation. Shift now is towards the sustainability of their employment. Ongoing progress toward long-term goal is demonstrated in the annual number of institutes we can document to be no longer in financial need of our aid because the U.S. has helped them attract other peaceful, transparent revenue sources. The long-term goal of institution sustainability is an accurate measure of program success. However, more work needs to be done to track and demonstrate that scientists engaged in the program remain in peaceful enterprises.

Evidence: BPPs of previous years BPP Evidence: Goal Papers: WD.01 - Bilateral Measures Bureau Goal 9

4.2 Does the program (including program partners) achieve its annual performance goals?
Answer: LARGE EXTENT Question Weight: 30%

Explanation: Program goals have been met but track number of institutions engaged as an output goal.

Evidence: BPPs of previous years BPP Evidence: Goal Papers: WD.01 - Bilateral Measures Bureau Goal 9

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?
Answer: NO Question Weight: 10%

Explanation: The program has developed new efficiency measures that have not yet been demonstrated. The US program changed the focus of its project selection and the supplemental programs to focus on institutes' sustainability in 2003; decreases in lifetime aid to any one institute that is graduated should decline in the future with improved training, supplemental programs and project selection..

Evidence: BPP Evidence: Goal Papers: WD.01 - Bilateral Measures Bureau Goal 9

Program: Nonproliferation of WMD Expertise (NWMDE)
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	100%	80%	60%	

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: NA

Question Weight: 0%

Explanation:

Evidence:

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: YES

Question Weight30%

Explanation: The ISTC (larger of the two science centers) performed biennial evaluations of its program management, the results of which were presented to the USG and other governming board members. In 2002 an independent firm affiliated with a US university evaluated the ISTC's effectiveness in promoting economic self-sustainability of recipient institutes. NP/PTR management of its expertise redirection mission has been scrutinized in two specific GAO reports and a 2003-4 GAO study of NADR nonproliferation programs generally.

Evidence: a. IC# (U.Tx.) study of ISTC commercialization support. b. GAO-01-582 State Department Oversight of Science Centers Program. c. GAO/NSIAD-00-138 Effort to Reduce Former Soviet Threat Offers Benefits, Poses Risks. BPP Evidence: Goal Papers: WD.01 - Bilateral Measures Bureau Goal 9

PART Performance Measurements

Program: Nonproliferation of WMD Expertise (NWMDE)
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	100%	80%	60%	

Measure: Cost to Assist a WMD Institute to Reach Financial Self-Sufficiency (in thousands of dollars)

Additional Information: The US program changed the focus of its project selection and the supplemental programs to focus on institutes' sustainability in 2003; decreases in lifetime aid to any one institute that is graduated should decline in the future with improved training, supplemental programs and project selection.

Measure Term: Annual

Year	Target	Actual
2004	822	
2005	806	
2006	790	
2007	775	

Measure: Number of Russian and other Eurasian proliferation-relevant institutes engaged in U.S.-funded civilian research projects

Additional Information: Access, engage and redirect high-risk former weapons institutes and former weapons scientists worldwide away from WMD/missile programs through our Nonproliferation of WMD Expertise (NWMDE) programs

Measure Term: Annual

Year	Target	Actual
2002	363	363
2003	430	430
2004	435	
2005	441	
2006	445	
2007	445	

Program: Nonproliferation of WMD Expertise (NWMDE)
Agency: Department of State
Bureau: Bureau of Non-Proliferation
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	100%	80%	60%	

Measure: Number of institutes and/or scientists graduated into commercially sustainable ventures.

Additional Information: Access, engage and redirect high-risk former weapons institutes and former weapons scientists worldwide away from WMD/missile programs through our Nonproliferation of WMD Expertise (NWMDE) programs

Measure Term: Long-term

Year	Target	Actual
2002	0	0
2003	16	16
2004	26	
2005	29	
2006	32	
2007	33	

Measure: U.S. private sector funding of collaborative research as a percentage of USG regular project funding.

Additional Information: Access, engage and redirect high-risk former weapons institutes and former weapons scientists worldwide away from WMD/missile programs through our Nonproliferation of WMD Expertise (NWMDE) programs

Measure Term: Long-term

Year	Target	Actual
2002	0.08	0.08
2003	0.1	0.1
2004	0.12	
2005	0.15	
2006	0.18	
2007	0.21	

PART Performance Measurements

Program: Nonproliferation of WMD Expertise (NWMDE)

Agency: Department of State

Bureau: Bureau of Non-Proliferation

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	100%	80%	60%	

Measure: Number of BW production projects started at facilities for the purposes of commercialization and reconfiguration for peaceful uses -- Number of BW institutes or groups graduated from US assistance

Additional Information: Access, engage and redirect high-risk former weapons institutes and former weapons scientists worldwide away from WMD/missile programs through our Nonproliferation of WMD Expertise (NWMDE) programs

Measure Term: Long-term

Year	Target	Actual
2002	0-0	0-0
2003	3-0	3-0
2004	7-0	
2005	11-0	
2006	15-0	
2007	15-3	

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

1.1 **Is the program purpose clear?** Answer: YES Question Weight20%

Explanation: Projects in this program differ in four ways from those in the Capital Security Construction Program: (1) they are required primarily for non-security reasons (e.g., when facility needs are related to re-establishing relations with a country or existing facilities are woefully inadequate); (2) the facilities are not on the list of the top 80 posts to receive security construction funds; (3) they will not be funded under the inter-agency cost-sharing program; and (4) their funding sources will be regular capital appropriations, or supplemental appropriations, or asset management proceeds. The latter refers to proceeds of sale derived from OBO's vigorous asset management program. With congressional support, between this and the Capital Security Construction Program, all major new capital construction requirements can be met. The clear purpose of this program is to ensure that essential capital requirements, expected and unexpected, can be funded and executed.

Evidence: a. Foreign Service Buildings Act, 1926 (P.L. 69-186), as amended b. OBO Mission Statement e. Long-Range Overseas Buildings Plan, FY04-09 f. FY2004 Bureau Performance Plan g. Dept FY04 Performance Plan (DPP) sss. FY 2005 Budget Request eeee. OBO Stewardship Report (2003) BPP Evidence: A/S Statement:

1.2 **Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight20%

Explanation: This program's objective is to provide overseas posts with feasible, urgently needed facilities that are as functional, safe, and secure as possible. Although not all projects fit the criteria for capital security appropriations, they are still critically necessary, provide essentially the same benefits, and are similarly treated in OBO's Long-Range Overseas Buildings Plan (LROBP) that clearly presents the particular need for each project and how desired results will be achieved. The German Government move to Berlin, for example, dictated the need for a new chancery; and proceeds of sale from properties in Germany and Seoul were used for this purpose. Proceeds from worldwide sources were applied to construct new facilities in Luanda, and Dili, while supplemental appropriations were provided for Kabul, and nearby Dushanbe, Tajikistan. As noted in 1.1 above, this program fulfills a need for a category of projects, and each project overcomes exisiting, specific problems.

Evidence: See Sec. 1, Q 1 c - i j. Report of the Secretary of State's Advisory Panel on Overseas Security, 6/85 k. Omnibus Diplomatic Security Act of 1985 m. America's Overseas Presence in the 21st Century, Report of the Overseas Presence Advisory Panel (OPAP), 11/99 e. LROBP (FY04-09) BPP Evidence: A/S Statement:

Program: Non-Security Based Capital Construction Program

Agency: Department of State

Bureau: Overseas Buildings Operations

Type(s): Capital Assets and Service Acquisition

Section Scores				**Rating**
1	2	3	4	Effective
80%	100%	100%	80%	

1.3 **Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?**

Answer: NO Question Weight20%

Explanation: This program is similar to the DOS Capital Security Construction Program, in that both fulfill many of the same objectives and are carried out in essentially the same way. State DEpartment does their best to assure that these programs are complementary rather than duplicative. And, each is driven by different Congressional requirements that, together, satisfy the Department's overseas major facilities needs. However, they are constructing facilities using the same designs, models and staff. The DOS overseas capital programs do not overlap with programs of other Government entities. The Department of Defense has an overseas facilities program, but DOD buildings are separate from those on diplomatic posts. USAID has received funding to place buildings on a few embassy compounds, but these are constructed by OBO and planned and synchronized between USAID and OBO, with annual State-USAID Strategic Plans and a recently formed Joint Management Council. USAID buildings pose no danger of duplications or overlaps. There are no other overseas construction programs of the nature of that carried out by OBO.

Evidence: a. Foreign Service Buildings Act, 1926 (P.L. 69-186), as amended zzz. STATE 268997 on DOS-USAID Joint Strategic Plan sss. OBO FY 2005 Budget Request ffff.DOS-USAID Joint Mgt Council (JMC) business plan e. LROBP (FY04-09) BPP Evidence: A/S Statement:

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?**

Answer: YES Question Weight20%

Explanation: Beginning in 2001, based on its new Director's extensive experience and knowledge of key industry best practices, OBO underwent a major reorganization; made extensive, corresponding procedural improvements; and had a period of further refinements. While all OBO programs have benefited, the central focus was to enable OBO to effectively and efficiently execute the greatly expanding capital construction program that came in the wake of the 1998 bombings of U.S. embassies in East Africa. Regardless of funding source (security, regular, and supplemental appropriations or asset-management proceeds) all capital projects, have shared in the successful push to lower project costs, accelerate schedules, and produce superior products based on improved program design, superior planning, and enhanced execution methodologies. Thus, potential major flaws have been eliminated, and the program is progressing with superior levels of effectiveness and efficiency.

Evidence: y. New Org. Chart (eliminate previous deficiencies) ii. "What's New in OBO (The Pillars)", examples of new strategies to overcome past deficiencies aaa. OBO Director/COO memo on mandatory COR training (example of solving a particular deficiency in program) www. List of cap construction projects completed since FY01 and proj in construction cccc. Comments at 4/22/04 IAP mtg by Derish Wolfe (Chairman, Burger Group Holdings) on OBO excellent effectiveness eeee. Stewardship Report 2003 gggg. OMB Circular A-11 (part 3) - Cap programming guide BPP Evidence: A/S Statement:

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?**
Answer: YES Question Weight:20%

Explanation: The program's purpose is clearly articulated in OBO's LROBP, with the specific need, nature, and benefits of each project spelled out in detail. The annual LROBP updates are, in turn, the products of wide-ranging intra-Departmental and inter-agency coordination to ensure that funding requests are optimally planned and directed at the highest priorities. Based on OBO budget request documents that provide full project rationales and the expected results, extensive consultations are then carried out with OMB and the Congress. These usually result in some corresponding changes to the published LROBP, as also occurs when international events or particular in-country situations dictate the need for changes. These wide-ranging consultations, along with growth in the program and OBO's improvements in its organizational capabilities, have produced a situation in which projects are highly visible, meticulously planned, closely scrutinized, and precisely targeted.

Evidence: e. LROBP FY2004-09 sss. OBO FY 2005 Budget Req. www. List of capital construction projects completed since FY2001and projects currently in construction BPP Evidence: A/S Statement:

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**
Answer: YES Question Weight:11%

Explanation: The program is designed to improve the capacity to perform foreign policy work in appropriate, functional, safety-hazard free facilities and to provide greater protection for overseas employees and intelligence. Success is linked to major, specific measurements: (1) acquiring sites for facilities according to OBO's LROBP; (2) completing projects on schedule and (3) within budget. These limited, very meaningful indicators are complemented by OBO's comprehensive performance measures that range from macro- to micro-levels (individual performance) and cover initial planning through post-occupancy evaluation. The relevant measures and outcomes remain fixed, and the associated projects generally are projected in six-year increments in the LROBP (with unexpected, emergency projects assigned to this dynamic program sometimes being outside of the annually updated LROBP).

Evidence: e. Long-Range Overseas Buildings Plan (LROBP) FY 2004-2009) ll. Performance Measures for a Results-Based Organization eeee. Stewardship Report 2003 BPP Evidence: A/S Statement: Goal Papers: Goal Paper I/P#5

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?**
Answer: YES Question Weight:11%

Explanation: Performance targets are ambitious and the program's "fast track" projects entail tight timeframes. With one FY04 completion, three ongoing projects, and ten more planned for funding and construction awards before the end of FY08, the 14-project total will exceed the number of capital projects built by OBO's predecessor organization in the FY95-99 period. Then too, targets become increasingly ambitious with unexpected facility requirements, such as when a new nation emerges or diplomatic ties are renewed. Kabul, for example, was an emergent requirement and designated by Congress as an immediate need in the "War on Terrorism." The program has shown that it has a "surge capability" to handle such projects. Overall, with quality standards, much tighter execution timeframes and cost controls, and an expanding number of projects (some located in the most difficult environments), this is a highly ambitious program.

Evidence: e. Long-Range Overseas Buildings Plan (LROBP) ll. Performance Measures for a Results-Based Organization eeee. Stewardship report 2003 ffff. DOS-USAID Joint Mgt Council business plan references to number of new USAID projects in next five years BPP Evidence: A/S Statement: Goal Papers: Goal Paper I/P#5

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 11%

Explanation: From OBO's comprehensive annual performance goals, as described in its 75-page "Performance Measures for a Results-Based Organization," a limited number of key goals have been selected to demonstrate progress in the Capital Security Construction Program. These are to award contracts on time in accordance with the LROBP, to complete projects on schedule and within budgets, and to acquire sites for capital projects per the LROBP timetable. These discrete, quantifiable goals clearly represent meaningful measurements of progress. With acquisition of sites being a prerequisite for subsequent construction of facilities, for example, these sequential achievements indicate critical progression towards next steps in the upcoming target periods. The goal for awarding actual construction or design-build contracts is the clearest indicator of progress, with execution within budget and schedule goals being two central measures of efficiency.

Evidence: e. Long-Range Overseas Buildings Plan (LROBP) ll. Performance Measures for a Results-Based Organization BPP Evidence: Goal Papers: Goal Paper I/P#5

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 11%

Explanation: In six-year increments, OBO's LROBP provides baselines, targets, and other key data on each project. To these must be added unforeseen critical requirements such as Kabul and Dushanbe. Contracts with design/construction firms subsequently provide detailed project timelines. Measurement takes place weekly in project status sessions and monthly in project performance reviews that stress strict adherence to targets, throughout the overall planning/execution process, accompanied by constant attention to keeping projects on accelerated schedules and controlling costs. The ambitious nature of this program can be seen in its relationship with the Department's Capital Security Construction Program. The regular/asset management program funds capital requirements that, because of their nature and special circumstances, do not become capital security projects. This program will sizably add to the number of new NECs being constructed this decade.

Evidence: e. Long-Range Overseas Buildings Plan (LROBP) xxx. FY 2005 Dept. Performance Report (DPP) and FY 2005 BPP; baselines and performance measures yyy. OBO Bugle (2004 No. 1) BPP Evidence: Goal Papers: Goal Paper I/P#5

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 11%

Explanation: DOS bureaus, tenant agencies, and overseas posts are frequently consulted and provide input to the Long-Range Overseas Buildings Plan (LROBP) to ensure that all parties are committed to the goals and objectives of the program and that all are "on the same page" as to requirements and intended end results. The LROBP is constantly reviewed and, at the same time, planning and implementing data is collected, monitored, and updated quarterly in OBO's comprehensive Post Data Book. This broad intra- and inter-agency collaboration is evident in integrated design reviews (IDRs) and during all aspects of construction. Contractors become committed to projects by their contract terms and understanding of the goals reflected in the statements of work, as well as through participation in IDRs, value engineering studies, partnering sessions with OBO officials, and joint problem-solving efforts.

Evidence: q. Bureau/tenant agency input to the LROBP r. Integrated Design Review (IDR) process description gg. Cables that illustrate typical post involvement in planning for new construction projects kkk. OBO Post Data Book, 6/03" yyy. OBO Bugle (2204 No. 1) eeee. Stewardship Report 2003 kkkk. Integrated Planning Review (IPR) BPP Evidence: A/S Statement:

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 11%

Explanation: The Inspector General (OIG), overseas posts, and outsiders (other agencies, GAO, and Congress) play extensive roles to ensure comprehensive appraisals. OIG/GAO reviewed the program several times and conducted numerous site visits. External agencies and others contribute to periodic revisions of the Long-Range Overseas Buildings Plan (LROBP) priorities and individual project plans. Value Engineering contractors, an Industry Advisory Board, and an Interagency Facilities Committee, as well as other outside groups, evaluate the effectiveness of the program and provide valuable information to assist in making program improvements. Post personnel rate the buildings during OBO-conducted post-occupancy evaluations. GAO and the DOS OIG have commented favorably on this multi-phase collaboration and accomplishments. Further reviews by these auditing entities of aspects of the program are ongoing.

Evidence: q. Bureau/tenant agency input (sample) to the LROBP r. Integrated Design Review (IDR) Process description u. Accreditation review procedures (MOU with DS) v. Post-occupancy evaluation sample (Ottawa) z. Project Performance Review (PPR) nnn. GAO testimony before Cmte On For. Relations 3/20/03 ppp. Test. Of Acting State IG on 4/7/03 before Govt Reform Subcmte on National Security

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: YES Question Weight: 11%

Explanation: OBO emphasizes budget and performance integration, and this is especially the case for capital projects. Usually, a one-and-one-half page business case is provided for each project in the budget request to explain why it is needed, what will be accomplished, and how much each major component will cost. Budget requests are supported by the more extensive project descriptions in the LROBP, which serves as a background information budget document, and frequently by full-fledged project briefings. Those approving OBO funding end up knowing exactly what the funds are intended to purchase and how they fit into the Department's annual and long-term goals. Furthermore, once OBO became a results-based organization, adherence to declared project schedules and budgets has become a central, ongoing concern. To, to an unprecedented degree, what was transparently proposed has proven to be the final nature/cost of the project.

Evidence: e. LROBP h. FY03 OBO budget x. Financial Plan 4/1/02 & 8/9/02 (showing adjustments related to changed conditions) sss. FY 2005 OBO Budget Request bbbb. FY 2006 OBO Budget Submission Guidance 3/2/2004 BPP Evidence: A/S Statement:

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 11%

Explanation: OBO has undergone a thorough organizational restructuring and a sweeping, accountability-centered revamping of procedures and corporate culture to address previously identified planning deficiencies. OBO has made a commitment to planning to attain more effective operations. The LROBP, with other information, lays out a detailed, six-year road map for the Capital Construction Program (with current plan covering FY04-09). The plan receives input from OBO clients and stakeholders and ensures all parties are "on the same page" in planning for new capital security construction projects. Other improvements to the overall planning process include using regular weekly and monthly project reviews in which top management determines the ongoing effectiveness of OBO's planning efforts and make any needed adjustments; and the development of comprehensive Project Analysis Packages that provide project scopes, schedules, budgets, concepts, and execution plans.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP) f. BBP Overview (incls. organizational strategies) r. Integrated Design Review Process y. OBO organization chart z. Monthly Project Performance Review (PPR) example hh. OBO Industry Day charts ii. "What's New in OBO" (pillars) kk. Program Assessment briefing charts (re prior deficiencies) mm. GAO 1/01 Rpt.: Embassy Construction Requires Better Long-Term Planning ddd. Industry Advisory Panel, brief description eee. Standard Embassy Design Description" BPP Evidence: A/S Statement:

2.CA1 **Has the agency/program conducted a recent, meaningful, credible analysis of alternatives that includes trade-offs between cost, schedule, risk, and performance goals and used the results to guide the resulting activity?** Answer: YES Question Weight: 11%

Explanation: Blue-ribbon panels and congressional committees in the 80s and 90s, having extensively examined overseas facilities requirements, established the general nature of the program. Within these parameters, analyses of alternative methods are a continual part of the development of comprehensive business cases for each project. Tradeoffs among costs, schedules, performance, and other factors determine priorities and the means for acquiring needed facilities. Decisions on whether to construct new facilities; to lease, build to lease, or direct purchase; to design/build or design/bid/build; or to seek other approaches are examples of analytical decisions involving cost/schedule/risk tradeoffs in meeting performance goals. Because regular capital projects tend to take place in posts with relatively unorthodox site or other conditions, there is a special emphasis on alternatives and innovative solutions, such as a modified design to compensate for the small site size in Luanda.

Evidence: r. Integrated design review (IDR) process description s. Value engineering policy decision memo; VE performance chart; VE study (Sofia) z. Project Performance Review (PPR) 7/30/02, showing Nairobi & Dar es Salaam results cc. "The Business Case, " with Capital Security Project Program examples ee. Telephonic report of construction activities (Zagreb)

Program:	Non-Security Based Capital Construction Program
Agency:	Department of State
Bureau:	Overseas Buildings Operations
Type(s):	Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES Question Weight:14%

Explanation: Posts, DOS regional bureaus, the Bureau of Diplomatic Security, and tenant agencies participate in developing and prioritizing projects. Once a project begins, feedback from those entities continues'in design reviews and especially from posts during construction (directly to OBO or through regional bureaus). Within OBO, all participating offices and divisions closely monitor program performance and report to the Director/Chief Operating Officer during weekly project status meetings and monthly Project Performance Reviews (PPRs). During construction, on-site project directors also report detailed performance data on a monthly basis. All of these mechanisms are used to collect timely, credible, appropriate performance information that is used to manage and improve the program and individual projects. Performance indicators are also captured through the performance measure process.

Evidence: f. Bureau Performance Plan (BPP) overview g. DOS FY03 Performance Plan (OBO section) z. Program Performance Review (PPR) 7/30/02 example dd. Project Director's monthly report (Abu Dhabi example) aaaa. Weekly "Projects in Planning & Development" report & review BPP Evidence: A/S Statement:

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight:14%

Explanation: OBO project directors are held fully accountable for successful execution and must personally explain project performance to the OBO Director and senior management on a weekly and monthly basis, as noted in question 3.1. Stressing this accountability has been the Director's constant, forcefully emphasized, major focus, and this has included closely linking awards, promotions, and appraisals to relevant performance measures incorporated into each manager's and employee's personal performance standards. In the Guide for Developing NEC Staffing Projections, and as stressed in many forums, all tenant agency staffing estimates for a new facility are run through a multi-layer validation process, with any changes after OMB approval being severely limited and held within the total existing project budgets. Contractors also are held accountable for performance, with satisfactory work affecting payments and satisfactory end results being a prerequisite for participation in future contracts.

Evidence: z. Project Performance Review (7/30/02), showing Nairobi, Tunis, and Dar es Salaam results) jj. "What We Want in Accountability"" ll. "Performance Measures for a Results-Based Organization" rr. Evaluation factors for contract award (incl. evaluations for past performance)

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**
Answer: YES Question Weight: 14%

Explanation: Solid evidence for timeliness are the relatively short spans (2-3 months) between Congressional approvals and obligations for project design, design/build, or construction contracts. Some security and project direction expenses are spread throughout the project life cycle, and other costs'such as communications equipment and furniture'come up at appropriate intervals after construction begins. OBO has obligated funds in regular, sequential, timely steps, with the existence of unobligated balances reflecting project phase, not the lack of well-timed obligations. OBO's finishing projects on schedule demonstrates that post-construction contract award obligations have been timely. Once appropriations are made, and subsequent project-by-project congressional approvals have been obtained, OBO has obligated funds expeditiously and has maintained detailed documentation that all funds were spent for the intended purposes.

Evidence: z. Project Performance Reviews (PPRs) showing obligations against capital projects cccc. OBO financial accounting records eeee. Stewardship Report 2003

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**
Answer: YES Question Weight: 14%

Explanation: OBO comprehensively utilizes incentives and procedures to improve value per dollar. The most cost-effective solution for providing facilities is chosen (see question 2 CA1). For new construction, standard embassy designs (SEDs) are used. This saves money by using a proven model and reducing design requirements to post-specific adaptations. The contract award process predominantly uses fixed-price, design/build contracts that maximize competitive sourcing/cost comparisons, speed, and risk reduction. There are also intensive value engineering efforts to gain the needed functionality at reduced cost, and the use of other best practices, such the Project Definition Rating Index tool developed by the Construction Industry Institute, to improve project planning. Finally, progress is carefully scrutinized at every step of the process in regular, senior-management-level weekly and monthly meetings where efficiencies, effectiveness, and costs are continually scrutinized.

Evidence: s. Value engineering documentation/study v. Post-occupancy evaluation rr. Evaluation factors for awarding contracts ss. Solicitations re using fixed-price, design-build for standard embassy design projects, using one contractor for multiple projects (4 greater efficiency/lower cost strategies) aaa. OBO Director/COO's memo on mandatory COR training eee. Standard Embasy Design description yyy. OBO Bugle (2004 No. 1)

3.5 **Does the program collaborate and coordinate effectively with related programs?**
Answer: NA Question Weight: 0%

Explanation:

Evidence:

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight:14%

Explanation: In recent annual audits of the Department of State's principal financial statements and controls, neither OBO nor its capital construction programs received any critical statements. OBO has instituted comprehensive procedures to ensure that payments are made properly for intended purposes and in accordance with prompt payment requirements. The Department's financial and OBO's voucher tracking systems have controls that prohibit duplicate payments. All Contracting Officer Representatives (CORs)are required to take 40 hours of COR training, with periodic updating sessions, that emphasize the handling of design and construction contracts. Performance measures have been established for the timely payment of invoices and the elimination of interest payments. These are reported on in the monthly in Project Performance Reviews, and they are reflected in individual performance standards.

Evidence: zz. Department of State Accountability Reports for FY01 (Independent Auditor's Report section) aaa. OBO Director/COO's memo on mandatory COR training ccc. PPR 8/2/02, Vendor Payments Processing Analysis ddd. Industry Advisory Panel, brief description jjj. Vendor Payment Approval and Processing Procedures "

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight:14%

Explanation: Since March 2001, as a new bureau, OBO has undergone a thorough restructuring and a sweeping, accountability-centered revamping of procedures to address previous management deficiencies identified in numerous reports. For example the 1/01 GAO criticism about the quality of long-range planning has been amply answered by the creation of a multi-division office to provide integrated, expert planning and development of OBO's Long-Range Overseas Buildings Plan that lays out a detailed map for the program. Other management improvements include making explicit, detailed business cases for major decisions; developing OBO-wide performance measures for programs, projects, and individuals; managing risk better by using the International Project Risk Assessment tool and requiring two independent cost estimates for all capital projects; and holding all program managers strictly accountable in weekly and monthly meetings chaired by OBO's Director.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP) f. BPP overview (incls. organizational strategies) r. Integrated Design Review Process y. OBO organization chart z. Monthly Program Performance Review (PPR) example hh. OBO Industry Day charts "What's New in OBO" (pillars) kk. Program Assessment briefing slides (re: addressing prior deficiencies) mm. GAO 1/01 Report:Embassy Construction Requires Better Long-Term Planning

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

3.CA1 **Is the program managed by maintaining clearly defined deliverables, capability/performance characteristics, and appropriate, credible cost and schedule goals?** Answer: YES Question Weight: 14%

Explanation: OBO's extensive LROBP development process comprehensively and clearly defines capital project characteristics, with security aspects conforming to intelligence community standards and facility needs being determined with input by USG stakeholders. Performance requirements for deliverables (embassies, consulates, etc.) undergo additional adjustments at budget request time. Project statements of work describe the quality and performance expected from potential contractors, who share risks with performance-based, fixed-price agreements. Competitive procurements and negotiations further define requirements, including cost/schedule calculations and execution strategies based on Project Analysis Packages, Standard Embassy Designs, and OBO Architectural & Engineering Embassy Design Guidelines. At each stage'planning, design, and construction'projects are closely monitored in weekly and monthly review sessions for cost, schedule, and other key performance indicators.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP) qq. Project Analysis Package (Yaounde 7/02)--project justifications, details, and cost/schedule goals tt. Statement of Work (Kabul) abbreviated sample eee. Architectural & Engineering Design Guidelines for U.S. Diplomatic Mission Buildings qqq. Project Requirement Review Sessions (Examples: planning and design - Algiers, Jerusalem, Moscow) - June 2, 2003 rrr. Project Requirements Review Sessions (Examples: construction - Bridgetown, Cape Town, São Paulo) - June 2, 2003

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: YES Question Weight: 20%

Explanation: The Program's goal is to provide urgently needed facilities not funded by the Capital Security Construction Program. Before the 1998 embassy bombings, all capital projects were in this program. With the post-bombings focus on security projects, however, a pre-bombing funding hiatus continued for other capital projects until the contract award for Luanda (9/01) followed by awards for Dushanbe (9/02), Kabul (9/02), and Dili (1/03). Berlin is on schedule for a 9/04 award, with another 9 awards to be made before end-FY08. All awards, plus needed site acquisitions, were made on or ahead of schedule; Dili was completed on budget and 2 months early. As noted in 4.2, Kabul (under extraordinary conditions) is late and over early cost estimates, and Luanda (with a small, difficult-to-build-on site) and Dushanbe (with a contractor struggling with difficult challenges of construction in Tajikistan) are behind schedule. Overall progress, nevertheless, has been excellent.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP) f. Bureau Performance Plan Overview h. & i. & sss: FY03 & 04 & 05 budget requests fff. Program Comparison: Inman Program vs. Current Program www. List of capital construction projects completed since FY2001 and currently in construction uuu. STATE 221231Z Apr 04: Dili Cert. of Occupancy dddd. STATE 070710Z Apr 04: Luanda NEC Proj Monthly Rep. eeee. Stewardship Report 2003 BPP Evidence: A/S Statement:

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight20%

Explanation: OBO's partners (see 2.5) are supportive with project selection/prioritization; determining personnel in planned facilities; and, at post level, helping with site acquisitions. OBO, however, achieves the annual goals;obtaining sites and awarding contracts on LROBP schedules (or awarding within 4 months of Congressional approvals for special projects), and completing projects on schedule and within budgets. International conditions can be varied and often difficult, however, site acquisitions and contract awards have been made on or ahead of schedule. Dili was completed on budget and early, and Berlin is on target for a 9/04 award. The Luanda, Dushanbe, and Kabul NEC projects are about 4 months behind schedule, and Kabul's costs have exceeded estimates, but OMB has worked with OBO to make adjustments to contain costs. Nevertheless, with the exception of Kabul, overall goal achievement has gone well.

Evidence: f. Bureau Performance Plan (overview--strategies) r. Integrated design reviews s. Value engineering policy and study kk. Program assessment briefing qq. Project Analysis Package bbb. House Rpt on CJS FY02 Appropriations Bill (re cost reductions) mmm: Spread sheet of Value Engineering projects and savings for FY01-03 eeee.Stewardship Report 2003 BPP Evidence: A/S Statement:

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: YES Question Weight20%

Explanation: OBO restructured its management and organizational elements and adopted best practices to gain greater efficiency and effectiveness in constructing capital projects. It attained bureau status and became a results-based organization that fully employs efficiencies that result from initiatives such as (1) adopting an automated design review/checking system ("Dr Checks") and integrated design review procedures to reduce design time and costs and increase project quality, (2) employing value engineering to gain greater construction efficiencies and cost effectiveness, (3) implementing new Standard Embassy Designs (SEDs) to reduce design times/costs and deliver better facilities with proven designs, and (4) making greater use of design/build contracts to cut construction time/costs and increase contractor accountability. Considerable emphasis has also been placed on reducing life-cycle costs while improving performance of new facilities.

Evidence: f. Bureau Performance Plan (overview--strategies) r. Integrated design reviews s. Value engineering policy and study kk. Program assessment briefing qq. Project Analysis Package bbb. House Rpt on CJS FY02 Appropriations Bill (re cost reductions) mmm: Spread sheet of Value Engineering projects and savings for FY01-03 eeee.Stewardship Report 2003 BPP Evidence: A/S Statement:

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation:

Evidence:

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: LARGE EXTENT Question Weight 20%

Explanation: The OIG and GAO reviewed this entire capital program and made highly favorable initial observations. State's IG commended OBO, in Congressional testimony, for its significant improvements in planning and management, new standard embassy design concept, and other areas. The GAO, in its 1/03 semi-annual report and in Congressional testimony, complimented OBO on the many positive steps to improve program management, noting favorably OBO's development of a long-range overseas buildings plan (LROBP) and its use of an Industry Advisory Panel to ensure "best practices" are in place. In the latter regard, in March 2003, GSA's Management Secretariat, through the Gallup Organization, cited the Industry Advisory Panel as one of the top examples of Federal Advisory committees demonstrating superior results. GAO went on to list the many accomplishments that OBO had made and the excellent results attained

Evidence: f. BPP overview kk. Program assessment briefing bbb. House Rpt on CJS FY02 Appropriations Bill (re: cost reductions) mmm: Spread sheet of Value Engineering projs and savings for FY01-03 nnn.GAO test. before Cmte on For. Rel. 3/20/03 ooo. GAO Rep to Congress 1/2003

4.CA1 **Were program goals achieved within budgeted costs and established schedules?** Answer: LARGE EXTENT Question Weight 20%

Explanation: The Dili NEC project came in early and on budget. Luanda, Dushanbe, and Kabul are behind schedule by about four months, and Kabul is over budget. OBO is working diligently to improve these projects. With Kabul, the need to construct in a hostile environment with changing requirements dictated a cost-plus construction contract that encountered rising costs. OBO converted to a fixed-price contract, but at a necessarily higher price. Despite OBO's best efforts, the contractor for Dushanbe has fallen behind in delivering over 250 modules required because of poor local construction capabilities. OBO and the contractor are working to mitigate the delays. The Luanda project has special challenges in constructing on a tiny site where Post continues to function.

Evidence: e. OBO Long-Range Overseas Buildings Plan (LROBP) kk. Program Assessment briefing nn. OBO Capital Project Overview (5/02) oo. OBO Real Estate & Property Management Office (REPM) 8/02 Program Performance Review on new embassy compound (NEC) site acquisitions cccc. Comments at 4/22/04 IAP Mtg. of Derish Wolff (Chairman, Berger Group Holdings) representing the Amer. Council of Engineering Companies & the Bldg. Trades Group BPP Evidence: A/S Statement: Goal Papers: Goal Paper I/P#5

PART Performance Measurements

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

Measure: Ratio construction management costs to Long Range Overseas Buildings Plan construction project costs over $25M

Additional Information:

Measure Term: Annual

Year	Target	Actual
2004	0.07	0.07
2005	0.065	
2006	0.065	
2007	0.065	

Measure: Number of regular capital construction projects completed (within construction timeframes) following construction contract awards as scheduled in the Long-Range Overseas Buildings Plan (LROBP)

Additional Information:

Measure Term: Long-term

Year	Target	Actual

Measure: New building sites acquired for regular/asset management capital construction projects

Additional Information:

Measure Term: Annual

Year	Target	Actual
2004	N/A	
2005	Hanoi,Taipei,Kolonia	
2006	Tijuana	
2007	Pristina	

PART Performance Measurements

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

Measure: Number of regular/asset management capital construction projects awarded IAW the LROBP . The number of projects is based on OMB and Congressional approval of specific projects and the cost associated with each project. There are years where no projects are approved and therefore no funding is appropriated for this program.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	Baseline	Dili
2004	Berlin	Berlin
2005	N/A	
2006	5 projects	
2007	Tijuana	

Measure: Complete regular/asset management capital construction projects within the approved construction budget

Additional Information:

Measure Term: Annual

Year	Target	Actual
2004	1	
2005	1	
2006	1	
2007	1	

Measure: Complete regular/asset management capital construction projects within the schedule authorized in the construction contract

Additional Information:

Measure Term: Annual

Year	Target	Actual
2004	1	

PART Performance Measurements

Program: Non-Security Based Capital Construction Program
Agency: Department of State
Bureau: Overseas Buildings Operations
Type(s): Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Effective
80%	100%	100%	80%	

2005	1
2006	1
2007	1

PART Performance Measurements

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	86%	83%	75%	

1.1 **Is the program purpose clear?** Answer: YES Question Weight 20%

Explanation: The U.S. provides funding to the OSCE to ensure regional and sub-regional stability in the independent states of the former Soviet Union and the countries of southeastern Europe.

Evidence: Congressional Budget Justifications, MPPs and Congressional Notification documents.

1.2 **Does the program address a specific interest, problem or need?** Answer: YES Question Weight 20%

Explanation: OSCE programs promote human rights, democracy and regional security in the states of the former Soviet Union and southeastern Europe.

Evidence: Congressional Budget Justifications, MPPs and Congressional Notification documents.

1.3 **Is the program designed to have a significant impact in addressing the interest, problem or need?** Answer: YES Question Weight 20%

Explanation: PKO funds support a portion of the OSCE's overall operating budget and provide contributions for specific projects of interest to the U.S. Since the OSCE is a large organization funded by many member states and has a wide variety of programs and objectives, the impact of a marginal increase or decrease in PKO funding for the organization's operating budget would be difficult to measure. But major reductions in the U.S. contribution to its operating budget would probably require that certain missions/operations be significantly scaled back. In some cases, the U.S. is the major/only donor for specific OSCE projects, so the impact of a funding reduction/increase for those programs would be readily known. State provides funds to OSCE from other accounts (D&CP, SEED and FSA), so it is possible that there could be some duplication in State funding for OSCE.

Evidence: Congressional Budget Justifications, MPPs and Congressional Notification documents.

1.4 **Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?** Answer: YES Question Weight 20%

Explanation: The OSCE is unique in its size and scope. It is the largest regional security organization in the world with 55 participating States from Europe, Central Asia and North America. It is active in early warning, conflict prevention, crisis management and post-conflict rehabilitation. The OSCE approach to security is comprehensive in dealing with a wide range of security-related issues including arms control, preventive diplomacy, confidence- and security-building measures, human rights, democratization, election monitoring and economic and environmental security; and cooperative in the sense that all OSCE participating States have equal status, and decisions are based on consensus.

Evidence: Congressional Budget Justifications, MPPs and Congressional Notification documents, UN Secretary General reports.

1.5 **Is the program optimally designed to address the interest, problem or need?** Answer: YES Question Weight 20%

Explanation: There is no conclusive evidence that another approach would be more efficient/effective to achieve the program purposes.

Evidence:

PART Performance Measurements

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	86%	83%	75%	

2.1 **Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES Question Weight:14%

Explanation: UPDATED FOR 2005: State has revised its MPP for the USOSCE and addressed all of OMB's recommendations from the FY 2004 PART. The revised MPP contains long-term goals with annual targets, baseline information as well as a report on progress to date. The goals are also linked to the funding source. The revised MPP should be considered an example for other State programs to follow.

Evidence: FY 2005 MPP for USOSCE.

2.2 **Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?**

Answer: YES Question Weight:14%

Explanation: UPDATED FOR 2005: The 2005 MPP for USOSCE addressed OMB's recommendations included in the FY 2004 PART. The MPP now includes separate annual and long-term goals, each with supporting annual targets, baseline information and reports on progress to date. The annual goals are directly related to the long-term goals, so that progress toward the long-term goal can be measure by the annual goals and targets. The goals are also linked to the funding source.

Evidence: FY 2005 MPP for USOSCE.

2.3 **Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?**

Answer: YES Question Weight:14%

Explanation: UPDATED FOR 2005: State has revised its MPP for the USOSCE and addressed all of OMB's recommendations from the FY 2004 PART regarding performance goals. USOSCE has demonstrated that it requires reporting from the OECD that is sufficient to evaluate the annual and long-term goals for the program.

Evidence: FY 2005 MPP for USOSCE, Mandate for OSCE Mission in Moldova, reports from OSCE's Office of Democratic Institutions and Human Rights (ODIHR) and the Kosovo Mission on U.S. contributions for human dimension projects, PAE reports, IRMA presentation.

2.4 **Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?**

Answer: YES Question Weight:14%

Explanation: UPDATED FOR 2005: State has defined which type of OSCE programs are funded by PKO and other appropriations in response to concerns that overlapping funding was being provided by several appropriations.

Evidence: State memo submitted for FY 2005 PART; July 23, 2002 internal State Department memo allocating PKO funding for OSCE.

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	86%	83%	75%	

2.5 **Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?**

Answer: YES — Question Weight: 14%

Explanation: Program managers in the Political Military and regional bureaus review and evaluate the activities of the OSCE. The Resource Management Office (RMO) at USOSCE also conducts reviews of OSCE missions in the field to monitor performance. While these reviews are not independent of the federal agency (i.e. State), they are independent of the recipient organization (OSCE), and appear to be sufficient in scope. USOSCE's RMO has agreed to undertake a review of its programs on a regularly scheduled basis, including quarterly consultations with the OSCE Secretariat and a quarterly visit to at least one OSCE Institution, for the purpose of evaluating the programs' performance in relation to goals set out in the State Department's performance planning documents.

Evidence: UN Secretary General Reports, USOSCE Extra-budgetary Evaluation Form, USOSCE Extra-budgetary Report Requirements.

2.6 **Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?**

Answer: NO — Question Weight: 14%

Explanation: UPDATED FOR 2005: In general and for these specific programs, State Bureau Performance Plans and Mission Performance Plans do not tie resource decisions to annual performance targets.

Evidence: 2005 MPP for USOSCE

2.7 **Has the program taken meaningful steps to address its strategic planning deficiencies?**

Answer: YES — Question Weight: 14%

Explanation: UPDATED FOR 2005: State has revised its MPP for the USOSCE and addressed all of OMB's recommendations from the FY 2004 PART. The revised MPP contains long-term goals with annual targets, baseline information as well as a report on progress to date. The goals are also linked to the funding source. The revised MPP should be considered an example for other State programs to follow.

Evidence: 2005 MPP for USOSCE.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES — Question Weight: 16%

Explanation: State program managers require and evaluate a variety of reports that address program performance and contract compliance. Since the East Timor programs are implemented by contractors, there are a number of reporting requirements that are built into contract agreements. The OSCE submits reports for a number of programs funded by PKO. However, information received in response to these reporting requirements should be better linked to key annual and long-term performance goals set out in State performance plans and should provide the basis for baseline information included in performance plans.

Evidence: Contract reports, OSCE reports, written explanations submitted by State program managers in support of the PART exercise.

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	86%	83%	75%	Effective

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?**

Answer: NO   Question Weight: 16%

Explanation: UPDATED FOR 2005: To our knowledge, performance management contracts are not used for program managers. The 2005 PART guidance requires the program agency to identify the managers who are responsible for achieving key program results and establish performance standards for those managers. To our knowledge, this has not occurred.

Evidence: State memo submitted for FY 2005 PART

3.3 **Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES   Question Weight: 16%

Explanation: PKO funds, which have single-year availability, are obligated within the year appropriated. However, State program mangers have had difficulties in the past obligating the required 85% of funds before August 31 each year. Program managers have identified this problem and are working to address it. In addition, USOSCE now requires increased reporting from the OSCE to augment its ability to oversee the organization's obligation of funding.

Evidence: SF133s, written explanations submitted by State program managers in support of the PART exercise.

3.4 **Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES   Question Weight: 16%

Explanation: The U.S. Mission to the OSCE was able to demonstrate (see Section II, question 1) that they have taken measures to improve the efficiency and quality of their resource tracking system.

Evidence: Written explanations submitted by State program managers in support of the PART exercise, contract documents, USOSCE MPP, USOSCE Extra-budgetary Tracking Form, USOSCE Standard Operating Procedures on Extra-budgetary Contributions, Assessments and Contract Invoices.

3.5 **Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?**

Answer: NA   Question Weight: 0%

Explanation: UPDATED FOR 2005: This question was deleted from the 2005 PART, so it did not seem appropriate to include it in the 2005 reassessment.

Evidence:

3.6 **Does the program use strong financial management practices?**

Answer: YES   Question Weight: 16%

Explanation: Procedures are in place to ensure that proper payments are made. Bills are received on a regular basis and reviewed by the appropriate agency officials before being certified for approval. In addition, USOSCE and State are taking steps to refine the implementation of procedures to avoid occasional lapses that have occurred in this process.

Evidence: Written explanations submitted by State program managers in support of the PART exercise, USOSCE MPP, USOSCE cables on bills.

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	86%	83%	75%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 16%

Explanation: State has identified oversight and performance planning problems with contributions provided to the OSCE for specific projects ("grants"). They are taking steps to improve oversight and require the OSCE to report on performance criteria. In addition, USOSCE created a Resource Management Office to allow them to better manage the U.S. resources provided to the OSCE.

Evidence: Written explanations submitted by State program managers in support of the PART exercise, USOSCE MPP, USOSCE Extra-budgetary Evaluation Form, USOSCE Extra-budgetary Report Requirements, USOSCE Extra-budgetary Contribution Tracking Form.

4.1 **Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?** Answer: YES Question Weight: 25%

Explanation: UPDATED FOR 2005: The 2005 USOSCE MPP includes measurable long-term and annual goals and reports on progress made to date towards those goals. The majority of the goals show that the annual targets, which measure progress toward the long-term goals, have been met.

Evidence: 2005 MPP for USOSCE

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: YES Question Weight: 25%

Explanation: UPDATED FOR 2005: The 2005 USOSCE MPP includes measurable long-term and annual goals and reports on progress made to date towards those goals. The majority of the goals show that the annual targets, which measure progress toward the long-term goals, have been met.

Evidence: 2005 MPP for USOSCE

4.3 **Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?** Answer: YES Question Weight: 25%

Explanation: Funding for the OSCE has been scaled back or realigned as requirements have changed. In addition, the U.S. backed an OSCE decision to let out bids for a contract to develop an integrated resource management system, which will enable the organization to improve its efficiency and management of resources.

Evidence: Written explanations submitted by State program managers in support of the PART exercise, CBJs and CNs reflecting funding adjustments based on program changes.

4.4 **Does the performance of this program compare favorably to other programs with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: None of the measures in the common measures program relate to this program.

Evidence:

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	86%	83%	75%	

4.5 **Do independent and quality evaluations of this program indicate that the program is effective and achieving results?**

Answer: NO

Question Weight 25%

Explanation: UPDATED FOR 2005: Examples of independent evaluations were not made available to OMB for review.

Evidence:

PART Performance Measurements

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	86%	83%	75%	

Measure: Existing and emergent regional conflicts in Moldova and the Caucasus are contained and/or resolved. 2003 target - Government and separatist groups in Moldova accept formally the Kiev Document, detailed negotiations commence. 2006 target - Post-conflict resolution phase begins. Actual: 2003 target has been met & exceeded.

Additional Information: Target:FY03 - Both the Moldovan and Transnistrian sides accept formally the Kiev Document as the basis for negotiation of an eventual comprehensive political settlement. Detailed negotiations commence.•FY06 - Post-conflict resolution phase begins, including reintegration of the Transnistrian region into Moldovan society. Actual Progress achieved toward goal:FY 2003•s target has been met and even exceeded. Initially, both sides accepted the Kiev Document as the basis for negotiations and detailed negotiations are underway. Since then, the two sides have agreed to an entirely new approach. They have created a Joint Constitutional Commission that brings together representatives of the Moldovan government and the Transnistrian side to jointly draft a brand new constitution for a future federal state, based upon the principles of the Kiev document.

Year	Target	Actual
2005		
2006		

Measure Term: Long-term

Measure: USOSCE's Resource Management Office (RMO) will implement internal policies and advance external OSCE initiatives to ensure adequate staffing, integrated budgeting, strategic planning, and demonstrated financial accountability for achievement of US Mission Performance Goals within the OSCE and effective financial management of the resources provided by the USG in support of OSCE activities.

Additional Information: Target:FY03 - OSCE Secretariat signs a contract with a company specializing in improvement of business practices of international organizations to develop a common regulatory framework for the OSCE. This firm concludes a comprehensive assessment of OSCE business practices, upgrades existing Oracle modules, and designs modules for management of extra-budgetary contributions, human resources, the regular budget, inventory and payroll.
•
FY06 - Annual report of the External Auditor recognizes marked improvement in OSCE resource management. Actual Progress achieved toward goal:FY 2003•s targets have been met or are in the process of being met. In April, the OSCE Secretariat signed a contract with Accenture to assist the OSCE in developing a common regulatory framework. Accenture has completed its review of OSCE practices and is presently upgrading the Oracle system and designing the modules described for FY 2003 above.

Year	Target	Actual
2005		
2006		

Measure Term: Long-term

PART Performance Measurements

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	86%	83%	75%	

Measure: Measures adopted to develop sustainable democratic institutions, rule of law, political practices, and fundamental human rights, bringing Central Asian, Caucasus, and Balkan countries into closer compliance with OSCE commitments.

Additional Information: Target:FY04 - Local authorities in Kosovo successfully plan and manage 2004 elections, with significant OSCE assistance and supervision.•FY06 - Level of respect for the principle of free elections increases significantly throughout the OSCE area. ODIHR conducts no more than 5 full-scale election observation missions. Local authorities in Kosovo take full responsibility for planning elections in 2006, with OSCE as observer only. Actual Progress achieved toward goal:FY 2003•s targets have been met. ODIHR will conduct two expert assessments, and adequate funding for training local electoral authorities in Kosovo was obtained.

Measure Term: Long-term

Year	Target	Actual
2005		
2006		

Measure: Conclusion and implementation of a comprehensive political settlement of the conflict between Moldova and its breakaway constituent region of Transnistria.

Additional Information: Performance Target: 2003 Target - Both the Moldovan and Transnistrian sides accept formally the Kiev Document as the basis for negotiation of an eventual comprehensive political settlement. Detailed negotiations commence.•2005 Target - Negotiations conclude the security protocol, which is signed by both sides. Both sides ratify simultaneously the settlement document and the security protocol. Actual Performance:FY 2003•s target has been met and even exceeded. Initially, both sides accepted the Kiev Document as the basis for negotiations and detailed negotiations are underway. Since then, the two sides have agreed to an entirely new approach. They have created a Joint Constitutional Commission that brings together representatives of the Moldovan government and the Transnistrian side to jointly draft a brand new constitution for a future federal state, based upon the principles of the Kiev document.

Measure Term: Annual

Year	Target	Actual
2005		
2006		

PART Performance Measurements

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:

Section Scores				Rating
1	2	3	4	Moderately
100%	86%	83%	75%	Effective

Type(s): Direct Federal

Measure: Comprehensive settlement of the Nagorno-Karabakh conflict between Armenia and Azerbaijan. 2003 Target: With presidential and parliamentary elections in both Armenia and Azerbaijan, Prague Mechanism coninues. 2005 Target: Negotiations begin in earnest on a comprehensive political settlement document. Actual: Little progress achieved but the Prague Mechanism continues, no ground is lost.

Additional Information: Performance Target: 2003 Target - With presidential and parliamentary elections in both Armenia and Azerbaijan, little progress is achieved. Nevertheless, Co-Chair meetings with presidents and within the Prague Mechanism continue and no ground is lost.•2005 Target - Negotiations begin in earnest on a comprehensive political settlement document. Actual Performance:FY 2003•s targets have not been met entirely due to external factors. Co-Chair meetings with the Presidents have been suspended through the election season in the two countries and Prague mechanism meetings have not been held because neither side is willing to participate. Although no ground has been lost, the process is essentially in suspense until after the Azerbaijani presidential elections in October 2003 (FY2004).

Year	Target	Actual
2005		
2006		

Measure Term: Annual

Measure: OSCE Secretariat implementation of a common regulatory framework on the basis of its program for Integrated Resource Management (IRMA).

Additional Information: Performance Target: 2003 Target - OSCE Secretariat signs a contract with a company specializing in improvement of business practices of international organizations to develop a common regulatory framework for the OSCE. This firm concludes a comprehensive assessment of OSCE business practices, upgrades existing Oracle modules, and designs modules for management of extra-budgetary c•2005 Target - The Contractor will build, test and deploy modules for management of inventory and payroll resulting in full implementation of an integrated resource management system and a common administrative framework with clear lines of responsibility and accountability throughout the organization.ontributions, human resources, the regular budget, inventory and payroll. Actual Performance:FY 2003•s targets have been met or are in the process of being met. In April, the OSCE Secretariat signed a contract with Accenture to assist the OSCE in developing a common regulatory framework. Accenture has completed its review of OSCE practices and is presently upgrading the Oracle system and designing the modules described for FY 2003 above.

Year	Target	Actual
2005		
2006		

Measure Term: Annual

PART Performance Measurements

Program: PKO - OSCE Programs
Agency: Department of State
Bureau:
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	86%	83%	75%	Effective

Measure: Implement system to ensure accountability for U.S. extra-budgetary contributions to OSCE. 2003 Target: USOSCE institutes quarterly assessment visits to OSCE institutions/missions and works to establish tracking system. 2005 Target: USOSCE clears all unexpended funds from 2003 or earlier.

Additional Information: Performance Target: 2003 Target - USOSCE institutes quarterly visits to OSCE institutions and/or missions, on a rolling schedule, to assess accountability for U.S. contributions. USOSCE works with OSCE Secretariat to establish a tracking system for U.S. extra-budgetary contributions.•2005 Target - USOSCE clears all unexpended funds from 2003 or earlier. Actual Performance:Due to personnel gaps during the period under review, USOSCE has not been able to conduct quarterly visits, but has reviewed intensively specific missions/institutions on a quarterly basis.

Year	Target	Actual
2005		
2006		

Measure Term: Annual

Measure: DIHR/OSCE assessment of participating State compliance with international standards in the conduct of elections.

Additional Information: Performance Target: 2003 Target - ODIHR conducts no more than three expert assessments. Adequate funding is included in the regular budget for the OSCE Kosovo Mission •2005 Target - All Balkan states (including Kosovo and Serbia-Montenegro) achieve a level of democracy that obviates ODIHR full-scale election observations.to train local authorities to assume responsibility for planning and managing elections in 2004. Actual Performance:FY 2003•s targets have been met. ODIHR will conduct two expert assessments, and adequate funding for training local electoral authorities in Kosovo was obtained.

Year	Target	Actual
2005		
2006		

Measure Term: Annual

PART Performance Measurements

Program: Refugee Admissions to the U.S.

Agency: Department of State

Bureau: Bureau of Population, Refugees, and Migration

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	75%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The program purpose, as authorized in law, is to resettle refugees of "special humanitarian concern to the U.S." There is consensus among the interested non-governmental organizations, Members of Congress, and the Executive Branch as to the purpose of the program, but there is not consensus as to how to implement the program.

Evidence: a. Refugee Act of 1980 BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: The State/USAID 2004-2009 Strategic Planning Framework lists "Humanitarian Response" as a national interest. This means "offering assistance and international leadership to help alleviate human suffering." A strategy to achieve this goal is ensuring the protection and assistance of refugees by promoting durable solutions, one of which is resettlement to a third country.

Evidence: a. State/USAID 2004-2009 Strategic Planning Framework b. FY 2005 Bureau Performance Plan c. U.S. Committee for Refugees World Refugee Survey 2003 BPP Evidence: A/S Statement:

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: There is no other program, Federal, state, local or private, which identifies, processes, transports and receives refugees arriving in the U.S. There is some overlap with HHS with regard to care of refugees once in the U.S. The State funding for the first 30-90 days refugees are in the country may be supplemented by HHS funding for Matching and Preferred Communities grants during the same period. While funds are to be used for different purposes and have separate financial reports, at the caseworker/refugee level, there can be confusion as to the differences between the two "pots" of money.

Evidence: a. Refugee Act of 1980 b. FY 2005 Foreign Operations Congressional Budget Justification c. Examiner observations during monitoring trip

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: The program is implemented through cooperative agreements with NGOs, agreements with international organizations and use of in-house resources, depending on which vehicle is most appropriate to the given situation. For example, in some locations in-house embassy staff perform refugee processing functions when access issues preclude NGO or IO access or the caseload is too small to merit a processing entity. Cooperative agreements allow the USG to be involved with the implementation of the program. The program competes cooperative agreements among NGOs, thereby encouraging administrative and operational efficiency among these organizations. A standard value for the assistance package provided to refugees ensures that the program adequately supports the well-being of refugees while achieving efficiency gains in operational and administrative costs.

Evidence: a. Federal Grant and Cooperative Agreement Act of 1977 BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	75%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight:20%

Explanation: Program beneficiaries are identified through a variety of mechanisms intended to ensure that those most in need of this durable solution are served. In particular, the program emphasizes and supports the role of the United Nations High Commissioner for Refugees (UNHCR) in identifying and referring refugees to the program. UNHCR has the worldwide mandate to protect refugees and determine what solution is most effective for their situation. That said, the Admissions Program does not rely exclusively on UNHCR for these determinations and has mechanisms in place to identify refugees for access to the program based on a USG finding that they should benefit from the program (as being of special humanitarian concern to the U.S. or for reasons of family unity). Program funds are targeted at the identified populations and reach only them throughout the process of overseas screening and resettlement in the U.S. Without the program, none of this would occur.

Evidence: a. FY 2004 Report to Congress. b. 2003 UNHCR Analysis of Worldwide Resettlement Need. c. U.S.-UNHCR 2004 Resettlement Initiative Budget. d. FY 2004 Admissions Implementation Plan and Budget. BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight:13%

Explanation: The program has worked with OMB to create a limited number of specific and ambitious long-term goals which relate to the program purpose. These goals are focused, measurable, and outcome-oriented.

Evidence: a. PRM Bureau Performance Plans, FY 2004 and FY 2005 BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight:13%

Explanation: In the past year, the Department has adopted a revised long-term goal related to the number of refugees admitted to the U.S. as a percentage of regionally allocated ceilings. This goal measures program performance against the Department of State's operational planning. This goal does not measure performance against the total ceiling (allocated and unallocated). There are ongoing discussions in the Administration as to whether the goal is the total ceiling or the allocated ceiling.

Evidence: a. PRM Bureau a. Performance Plans, FY 2004 and FY 2005. BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:13%

Explanation: All four annual goals are quantifiable and measurable and directly related to the three long-term goals. While the indicator for Annual Goal 3: Standardized Essential Services and the indicator for Long-term Goal 3: Self Sufficiency for Resettled Refugees both serve the same long-term goal of integration and self-sufficiency, the annual indicator is distinct from long-term indicator because the former measures inputs i.e. the quality of services provided to resettled refugees, while the latter appropriately measures outcomes i.e. employment in a given timeframe.

Evidence: a. PRM Bureau Performance Plans, FY 2004 and FY 2005 BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	75%	

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 13%

Explanation: All four of the annual goals listed above present ambitious targets for the program, each with a quantifiable baseline. Although they may appear static, FY 2006 and FY 2007 targets for the fourth goal related to UNHCR account for the fact that increased repatriation options are likely to be available to several primary resettlement nationalities beginning in FY 2005. Increased repatriation leaves fewer eligible candidates for referral under this program. Thus, FY 2006 and FY 2007 targets are not static relative to the pool of available candidates anticipated in these years.

Evidence: a. PRM Bureau Performance Plans, FY 2004 and FY 2005. b. U.S.-UNHCR Resettlement Initiative Budget for 2004 and quarterly performance reports. c. WRAPS Pipeline Reports. d. Reception and Placement Monitoring Reports. e. WRAPS Deployment and Upgrade schedules for FY 2004. BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 13%

Explanation: The Reception and Placement Grant Cooperative Agreements include goals regarding basic necessities, core services, and employment. The agreement also defines these terms, making the goals measurable (e.g., refugees should have one chair for each family member). Overseas processing agreements include output goals (number of refugees to be processed by entity) that grantees must meet. Reporting requirements and monitoring allow the Bureau to verify if goals are being met.

Evidence: a. Reception and Placement Cooperative Agreement b. Overseas Processing Entity Cooperative Agreement c. FY 2005 Bureau Performance Plan d. Refugee Processing Budget Worksheet BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight: 13%

Explanation: State OIG began an audit of the R&P program in FY 2003. Its report is expected by the end of FY 2004. As part of the program review being conducted by the agency, it has also engaged an independent expert consultant to evaluate the program. His final report is expected late in FY 2004.

Evidence: a. FY 2003 OMB PART review b. State OIG audit (ongoing) c. Draft Report on Study by David Martin BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight: 13%

Explanation: The budget request for this program is not explicitly tied to the accomplishment of the annual and long-term goals. Budget documents do not mention the ceiling level that the budget supports and the actual admissions ceiling is set 7-8 months after the budget is submitted to Congress. OMB will work with the Department of State, the National Security Council and other USG partners to explore aligning the budget and ceiling determination processes so that there is a clear link between the budget and performance goals.

Evidence: a. FY 2004 Implementation Plan and Budget. b. FY 2004 and FY 2005 Bureau Performance Plans

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	75%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: OMB commends the program managers for their efforts to improve the FY2004 plan and build on it in FY2005; the new plans are a significant improvement from the previous plan. The program did not have a procedure in place to identify strategic planning deficiencies. However, when such deficiencies were pointed out by the Department of State's Strategic Planning office or OMB, the program managers worked with these offices to move toward improved goals and indicators, as was done with the FY 2004 performance plan.

Evidence: a. FY 2003 OMB PART review b. PRM Bureau Performance Plans, FY 2004, FY 2005 and FY 2006 c. Department of State Strategic Plan

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 10%

Explanation: The domestic and overseas cooperative agreements require a number of reports from program partners (some quarterly and some annual). In addition, if organizations want to renew their contract or are seeking to renew a cooperative agreement, State program managers make recommendations regarding budget, staffing, and affiliate office capacity to resettle refugees. Agreements are only signed once the organizations agree to the recommendations.

Evidence: a. R&P Free Case Employment Reports, b. R&P Quarterly Affiliate Monitoring Report, c. R&P Annual Report, d. R&P Financial Reports, e. Overseas Processing Entity Program Report, f. OPE Financial Reports BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight: 10%

Explanation: Program partners are held accountable for past performance, based on the guidelines agreed to in the cooperative agreement. There are adjustments made to the next agreement based on prior performance. For program managers at State, personnel evaluations take account of program results and performance.

Evidence: a. Reception and Placement Cooperative Agreement, b. Overseas Processing Entity Cooperative Agreement BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	75%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight:10%

Explanation: In FY 2004, the program has obligated all available funds consistent with the overall program plan. The program plan details have been revised during the year to account for the new security environment and therefore differ from those outlined in the FY 2004 President's Budget. PRM is working to address those temporary measures that may contribute to higher costs by collaborating closely with CDC, IOM, and DHS to reduce the need for such measures, or where they are used, to reduce their costs e.g. charter planes. In FY 2004, procedures were put in place to ensure that partners are paid for actual expenditures and grantees must take action to address any deficiencies found in audits in order to continue being a program partner. In addition, for both overseas operations and reception and placement, the partners provide expenditure reports demonstrating that funding is used directly in support of program goals.

Evidence: a. Reception and Placement Financial Reports, b. Foreign Operations Congressional Budget Justification, c. Migration and Refugee Assistance Financial Plan, d. Refugee Processing Budget Worksheet BPP Evidence: Goal Papers: Partner Accountability

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight:10%

Explanation: Program managers at the State Department have suggested ways to gain efficiencies in the program, such as increasing the number of refugees allowed to travel on commercial flights and increasing the points of entry to which they can arrive. These ideas are under review by an interagency working group focused on furthering program goals and suggesting ways to improve program performance. In addition, the program has created an efficiency indicator: "Total average cost per refugee arrival in the U.S." with ambitious targets to measure and achieve efficiencies. To help achieve these gains, Admissions program expenditure reports and budgets are evaluated regularly. Line item costs are compared to program per capita averages to assess efficiencies and effectiveness. Partners are required to take corrective action in order to be eligible for future funding.

Evidence: a. Correspondence with grantees regarding budget caps and line item limitations b. BPP Evidence: Goal Papers: Refugee Admissions to the U.S. c. Interagency meetings

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight:10%

Explanation: The Department of State, the DHS and HHS all have a role in refugee admissions. The three agencies coordinate effectively, as evidenced by the jointly produced yearly report for Congress, which explains the current situation and suggests a ceiling and allocation for the upcoming fiscal year. In addition, State works closely with DHS in the field to institute new procedures (such as security measures) related to overseas processing and with HHS to figure out where (States/regions) refugees should be resettled and the types of orientation materials that are needed. The Department also works with State refugee coordinators when reviewing proposals, in order to best determine where refugees can be placed upon arrival in the U.S.

Evidence: a. Report to Congress, b. Letters from Department of State to State refugee coordinators, c. Responses from State refugee coordinators BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

Program: Refugee Admissions to the U.S.

Agency: Department of State

Bureau: Bureau of Population, Refugees, and Migration

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	75%	

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight:10%

Explanation: Each program partner must have an independent audit conducted and these have not resulted in any finding of material internal control weaknesses. Also, payments are made to partners only as funds are needed. The Comptroller's office signs the cooperative agreements and keeps a close watch on obligations and payments, even examining documents that they do not have to examine. The Department is required to have yearly independent audits. Further, PRM divides financial magement functions between its Comptroller's Office and its Office of Policy Resource & Planning, therey providing a system of checks and balances for funding actions.

Evidence: a. Audit reports, procedures exist to identify improper payments. BPP Evidence: Goal Papers: Partner Accountability

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight:10%

Explanation: For reception and placement grants, the agency works with program partners and State refugee agencies to ensure that proposals fit the needs of the program. Therefore, if the Department believes that a partner is proposing to resettle too many refugees from a certain ethnic group in a certain state or region, the Department of State will adjust the proposals to fit the needs of the program and the abilities of the resettlement organization. Since cooperative agreements are signed every year, the Department must determine the needs of the program every year and enter agreements that fit those needs. PRM has also established a standardized, week-long Monitoring & Evaluation course fro all program officers that enhances the Bureau's review of this an other programs.

Evidence: a. Letters from State to voluntary agencies b. PRM M&E Supplementary Explanation (5/26/04)

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?** Answer: YES Question Weight:10%

Explanation: Requests for proposals define the criteria that must be met to qualify for a cooperative agreement for both overseas operations and reception and placement. For both types of programs, the Admissions office uses panel review, involving other offices in the Bureau and outside agency participation when appropriate. Proposals are scored and recommendations made according to those results. The reception and placement proposals are subject to fair and open competition, however, there have not been any new grantees for some time. Additional organizations have considered applying, but have lost interest after reviewing program guidance (organizations must have nationwide networks and be social service providers in order to apply; few providers exist that have nationwide networks). For efficiency, overseas processing entities are required to be familiar with the U.S. resettlement program. Though reasonable, this parameter further limits the number of organizations eligible for funding.

Evidence: a. Reception and Placement Proposal Guidance, b. Request for Proposals- Overseas Processing Entities

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	75%	

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 10%

Explanation: PRM staff meet regularly with UNHCR, IOM and NGO partners to receive updates and discuss program activities. For reception and placement, program staff conduct monitoring visits to headquarters and affiliate offices, including home visits to refugees. The program officers interview refugees, caseworkers, affiliate directors and HQ staff to assess agency compliance with program requirements. They examine case files and survey houses to ensure refugees received all required supplies and goods. Financial reports from agencies show how funds are being expended. For overseas processing entities, there is a less standardized monitoring process, but PRM staff regularly travels to New York to manage cooperative agreements and overseas processing locations to meet with grantees and discuss program progress and activities with managers. PRM program officers complete a week-long, standardized monitoring and evaluation course to enhance review capacity and program oversight.

Evidence: a. Examiner observations on monitoring trip, b. Volag Affiliate Questionnaire, c. Home Visit Questionnaire, d. Caseworker Questionnaire, e. PRM Monitoring Reports f. PRM M&E Supplementary Explanation (5/26/04) BPP Evidence: Goal Papers: Partner Accountability

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 10%

Explanation: The program collects data on performance and distributes it via its web site.

Evidence: a. www.state.gov/g/prm

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight: 25%

Explanation: The program has made progress toward achieving each of the three goals, but is still below target for goal 1. Goal 1: Admissions Rates - The program has made steady progress since FY 2002 when stricter requirements were enacted following 9/11, marked by an 18% improvement in performance from FY 2002 to FY 2003; and is expected to achieve its regional target for FY 2004. However, the program did not achieve its goal in FY2003. Goal 2: Processing Reforms - The program is ahead of schedule in achieving program reforms to improve and streamline refugee processing in close collaboration with CDC and DHS. Goal 3: Self-sufficiency for Resettled Refugees - The program continues to improve upon its record for assisting resettled refugees to become self-sufficient in 90 days, with 85% in FY 2003 and is on target to achieve 88% in FY 2004.

Evidence: BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	75%	

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight25%

Explanation: The program has met or exceeded its targets for two of its four annual goals in FY 2003. Although the program achieved gains in FY 2003 for Goal 3, it was slightly below target. Because of security issues related to 9/11, Goal 2 was revised to set a more realistic timeframe for resettlement accounting for more intensive screening activities. The program is on target to achieving all of its annual goals in FY 2004. Goal 1: UNHCR Referral Capacity - The program exceeded its referral target by 47% in FY 2003. Goal 2: Overseas Processing Operations - PRM is on target to achieve its revised goal in FY 2004, an 18% reduction from FY 2003 in the percentage of cases taking longer than six months. Goal 3: Standardized Essential Services - Performance improved by an average of 6% from FY 2002 and FY 2003. Goal 4: Worldwide Database - The WRAPS database has been successfully been developed and deployed worldwide. Now completed, Goal 4 has been discontinued.

Evidence: BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight25%

Explanation: The program has established an efficiency measure: "Total average cost per refugee arrival in the U.S." Per capita costs for FY04 are expected to be 10-15% lower than FY03 at $3,593. To reach its goal of admitting no fewer than 50,000 in FY04, the program has had to incur extraordinary costs (e.g., charter flights, emergency vaccination campaigns). To compensate for unanticipated costs and still bring down per capita cost, PRM managers achieved efficiencies in other aspects of the program. PRM saved $1.7m by consolidating Overseas Processing Entities in the Asia region for FY04, creating 2 regional hubs to cover smaller caseloads and eliminating 2 stand-alone OPEs. PRM negotiated major reductions in R&P agencies' HQ budgets, saving $1.4m (12%). PRM also consolidated IOM's transportation network since FY01, saving $3.5m (20%). Absent these efficiencies, FY04 budget increases to respond to emergencies and accelerate processing in Africa and SE Asia would not have been possible.

Evidence: a. FY 2004 Cooperative Agreements (R&P/OPE) b. 2004 IOM Memorandum of Understanding c. FY 2004 Admissions Program Budgets and Financial Reports BPP Evidence: Goal Papers: Refugee Admissions to the U.S.

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: Only a small piece of this program (Reception & Placement with the Department of Health and Human Services) overlaps with another program.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: YES Question Weight25%

Explanation: In his draft report, independent expert consultant David Martin notes that the program is achieving results, but makes suggestions regarding program direction and ways to improve efficiency in light of the setbacks and challenges of recent years. Results of State Dept IG audit of the program will be available in late FY 2004.

Evidence: a. Martin report b. OIG report (available FY 2004)

PART Performance Measurements

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	75%	

Measure: Total average cost per refugee arrival in the U.S.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2002	Baseline	$4,445
2003		$4,428
2004	$4,000	$3,500
2005	$3,700	
2006	$3,600	
2007	$3,500	

Measure: Number of refugees admitted to the U.S. as a percentage of the regional ceilings established by Presidential Determination.

Additional Information: Refugees admitted to the U.S. within established ceilings based on an assessment of the number of refugees at risk overseas and U.S. capacity to respond.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	39%
2003		57%
2004	100%	106%
2005	100%	
2006	100%	
2007	100%	

PART Performance Measurements

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	75%	

Measure: Security, health, and anti-fraud measures are fully implemented in refugee processing.

Additional Information: Security, health, and anti-fraud measures are fully implemented in refugee processing. The targets for this measure are held separately, as there is no way for them to fit in the cells and be uploaded.

Measure Term: Long-term

Year	Target	Actual
2004		
2005		

Measure: Partner agencies ensure that all employable adults are employed by the 90th day in the U.S. and provide all basic necessities to arriving refugees.

Additional Information: A nationwide network of service providers with the capacity to assist arriving refugees to begin the process of becoming self-sufficient, fully-integrated members of U.S. society.

Measure Term: Long-term

Year	Target	Actual
2003	Baseline	no data, 85%
2004	100%, 88%	no data
2005	100%, 91%	
2006	100%, 93%	
2007	100%, 95%	

Measure: Number of individual and group refugee referrals to the U.S. from UNHCR.

Additional Information: Assist UNHCR to strengthen its capacity to identify appropriate durable solutions for refugees, including third-country resettlement.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	5,000
2003		14,690
2004	15,000	18,000
2005	15,000	

2006	15,000
2007	15,000

Measure: Percentage of refugees moved to U.S. within 6 months of DHS approval.

Additional Information: Strengthen domestic and overseas refugee processing operations to ensure that all security, anti-fraud, and health screenings are accomplished in an effective and timely manner.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	no data
2003		48%
2004	60%	57%
2005	70%	
2006	73%	
2007	76%	

Measure: Percentage of agency affiliates in the Reception and Placement (R&P) program found to be in compliance with established basic standards of care, which ensure that refugees' basic necessities (housing, employment, health, child education) are met upon arrival and during an initial period in the U.S.

Additional Information: Ensure that standardized essential services (including decent housing, employment opportunities, and education for children) are provided by sponsoring agencies during the period of refugees' initial resettlement in the U.S. (Measured by compliance rate).

Measure Term: Annual

Year	Target	Actual
2002	Baseline	0.75
2003	0.85	0.81
2004	0.9	No data
2005	0.93	
2006	0.95	

PART Performance Measurements

Program: Refugee Admissions to the U.S.
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	75%	

2007	0.96

PART Performance Measurements

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	83%	100%	53%	Effective

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: Section 503, Chapter 2, Part II, of the Foreign Assistance Act clearly establishes the legal authority and purpose for US military assistance. The purpose for Foreign Military Financing grants (FMF) and International Military Education and Training (IMET) is further refined in the WHA Bureau Performance Plan (BPP) as follows: to promote U.S. national security by enhancing regional stability, preventing and responding to terrorism, and enhancing efforts against international crime and drugs. Moreover, FMF/IMET facilitates mil-to-mil cooperation on a range of defense and security related issues and strengthens cooperation between regional governments and the US on those issues. The authorities for grant assistance are sect 541 (IMET) of the FAA and section 23 of the Arms Export Control Act.

Evidence: a. Section 503, b. Chapter 2, Part II, of the Foreign Assistance Act of 1961, c. The WHA Bureau Performance Plan (BPP), d. State Department FY 2004 Congressional Budget Justification, e. The Arms Export Control Act.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: At the strategic level, terrorism in the Andes and illegal criminal activity in the Caribbean and Central America are two principle threats to US national security interests in the region. The US also looks to regional governments for cooperation on a variety defense issues as such coalition support and peace keeping activities. FMF and IMET funded programs target these needs. Individual FMF programs in the WHA countries are developed by the the embassy country team (the MILGRP is the lead agency) and SOUTHCOM. Early in the process, the Country Security Cooperation Plan is developed, which includes the long-term strargic goals and the key capabilities that need to be put in place to achieve those goals. From these required capabilities (e.g. improve interoperability) outcomes and tasks (e.g. provide specific communications equipment) are developed to help achieve the required capability.

Evidence: a. WHA BPP, b. State Department FY 2004 Congressional Budget Justification.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: FMF/IMET are the principle forms of US military assistance. IMET is uniquely designed to provide training opportunities not otherwise supported with US funding. Because of the nexus between drugs and terrorism, FMF programs, including funding and goals, are closely coordinated with programs funded with International Narcotics Control and Law Enforcement funds and S/CT. For example, to improve security in Arauca, Colombia, FMF and INCLE programs work in conjunction, as part of a unified campaign, without overlapping -- FMF focuses on support to the military while INCLE focuses on support to the police. Additionally, FMF programs leverage other forms of security assistance such as Excess Defense Articles (EDA) and assistance to Colombia under Section 1033 and 1004. In several cases FMF supports equipment that has been, or will be, transferred as EDA or provided by DoD.

Evidence: a. WHA BPP, b. State Department FY 2004 Congressional Budget Justification.

PART Performance Measurements

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	83%	100%	53%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: There is no evidence of design flaws. In the case of FMF for Colombia, Congress gave the Department authorization in 2003 to transfer FMF funds and merge them with ACI, to improve management of pipeline security program.

Evidence: a. Letters Of Agreement, b. CBJ, c. DSCA Web Based Planning Tool.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight: 20%

Explanation: Recipients [individuals for IMET and units for FMF] are identified in Letters of Agreement between the USG and the recipient govt. All units and individuals are vetted for human rights. MILGRPs at posts develop plans to be appropriate to the country these are reviewed by SOUTHCOM, PM, and WHA.

Evidence: a. LOAs, b. CBJ, c. DSCA Web Based Planning Tool, d. Vetting cables, e. Congressional notifications and oversight ensure compliance.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 16%

Explanation: At the strategic level, the WHA 2005 BPP has goal papers and objectives for our program supported by FMF and IMET. In addition, SOUTHCOM and WHA posts (through the MILGRPs) maintain specific long-tem and annual objectives, for FMF supported activities in each country as part of the CSCP. It should be noted that the CSCP includes coutcomes and task that are supported by a variety of activities of which FMF and IMEt are but two. The capabilities, outcomes, and tasks estblished in the CSCP form the basis of the security objectives of the Mission Program Plans (MPP) and FMF requests submitted by posts and incorporated into the BPP.

Evidence: a. WHA BPP, b. State Department FY 2004 Congressional Budget Justification.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 16%

Explanation: At the strategic level, ambitious and realistic targets through FY 2007 are established in the BPP. SOUTHCOM planning documents (TSCP and CSCP) have detailed longt-term outcomes, annual outcomes and annual tasks set through 2008. For example, the Ecuador CSCP identifies securing Ecuadors northern border with Colombia by 2006 as a goal.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 16%

Explanation: Annual performance measures for FMF and IMET are in place at the regional (strategic) and country level. The country level objectives and targets (listed in the BPPs and CSCPs) are more detailed. The annual performance measures at the regional level track with Performance goals set BPP's Performance Goal Papers. The IMET program provides periodic reviews of student performance as an indicator of program effectiveness/efficiency.

Evidence: WHA BPP, Congressional testimony, mission program plans, DSCA Web Based Planning Tool. Student performance reviews.

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	83%	100%	53%	Effective

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight:16%

Explanation: Baselines and target development (as well as program execution) is decentralized (on a country and program basis). Additionally, FMF for WHA has seen a dramatic increase from $11M in 2002 to $114M for 2003. This increase includes many new programs. Baselines for several of the new programs are in development. Performance measures will be adjusted in accordance with relevant baselines. The largest program in FY 2003 ($93M for Counterterrorism) has a definitive goal and base line, while the baseline for Disruption of Criminal Organizations (regional maritime interdiction) is in development.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool. e. Colombia MPP f. Reports to Congress on the Cano-Limon Pipeline.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: NA Question Weight: 0%

Explanation: To ensure full host government cooperation, detailed Letters of Agreement are negotiated between the USG and the host government. The actual implementation of FMF programs occurs at MILGRPs at our posts. SOUTHCOM, the Bureau for Political Military Affairs, The Defense Security Cooperation Agency all participate in program management. All are fully committed to achieving the long-term goals. In addition, the US based education institutions that support IMET programs are full partners in the process. Key to the success of many of these programs is commitment by the host countries. Most notable in the WHA region is the commitment shown President Uribe of Colombia who has increased defense spending, established a new national security strategy, and commitment additional troops and new commanders to key programs funded under FMF.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool, e. SOUTHCOM Requirements Documents.

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight:16%

Explanation: Most formal evaluations of the regional FMF programs are conducted by State (PM and WHA), DoD, or SOUTHCOM. However, given the intense public scrutiny of security assistance programs in the Andes, there are many independent informal evaluations of US security assistance. These range from evaluations of US security policy sponsored by the Army War College to critics of our security policies in the region, such as The Center for International Policy and WOLA. Most external assesements of of FMF deal with the strategic or policy objectives that FMF support, such as the ability of Ecuador or Panama to secure their borders, rather than the FMF program that support those objectives. IMET student evaluations provide ample and periodic assessments of the IMET program. Information provided by the Government of Colombia and private companies are critical to the evaluation of our largest FMF program (Security for the Cano Limon Pipeline). The success of initial steps taken to protect the pipeline have validated the concept for securing the pipline.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

Program:	Security Assistance for the Western Hemisphere
Agency:	Department of State
Bureau:	Western Hemisphere Affairs
Type(s):	Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	83%	100%	53%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NA Question Weight: 0%

Explanation: At the strategic level, the BPP and MPP identify our broad objectives and measures. The 2005 MPP identifies the goals and measures for FMF supported programs in Goal Papers on 1) Andean Counterdrug Initiative - Counterterrorism, 2) Andean Counterdrug Initiative, and 3) Increasing Maritime Interdiciton. Our 2004 and 2005 budget presentations further identified imporving the capacity of regional militaries to participate in peacekeeping and coalition operations as key FMF supported objectives. The WHA budget requests for FY 2003 and FY 2004 clearly established the outputs to meet the objectives listed in the BPP. At the country level, WHA decides, in coordination with posts, the Bureau for Political Military Affairs, and DoD which requests for funding support the Bureau's strategic goals and other USG foreign policy objectives. The country CSPS includes further details concerning the goals of individual FMF programs. The WHA budget presentation and Senior Review includes descriptions based on individual country funding requests and objectives, as well as regional (WHA wide) funding requests and objectives. There is not an exact dollar for dollar correlation between the country objectives and the regional objectives because any one country request may support more than one regional objective.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?**

Answer: YES Question Weight:16%

Explanation: Coordination of IMET, INCLE, FMF, and DoD funded programs is stronger under the "new authorities" for Colombia. These authorities call for a unified campaign against narcotics and terrorism. Goals have been modified to the reflect the new authorities for Colombia. FMF goals are have improved as a result of increased use of video conferencing in the MPP reviews. The regional stability performance goals from the State/AID Strategic Planning Framework are in synch with the long-term and annual goals for FMF. The web based tool for security assistance

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES Question Weight:14%

Explanation: The MILGRPS, SOUTHCOM, and DSCA regularly collect and analyze information on program performance. In addition PM and WHA also review performance information. Some of these reviews are directly tied to regional objectives and targets while others are tied to specific country programs objectives and targets. At the MILGRP, SOUTHCOM, and DSCA level, the analysis leads lead to changes in training schedules, deployments etc. The results of the reviews conducted by PM and WHA are reflected in changes made to the programs in subsequent budget requests.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Toole. Results of the SOUTHCOM Colombia Assistance Visit.

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	83%	100%	53%	Effective

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 14%

Explanation: Letter of Offer and Acceptance is Government to government agreement that defines the terms and conditions in accordance with law; US grant funds are controlled and managed by USG organizations with USG oversight. Funds for IMET are closely monitored by the learning institutions, Posts, Congress and NGOs.

Evidence: a. USG financial reports, b. Program/financial management reviews, c. The AECA and FAA are governing authorities for program implementation.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 14%

Explanation: LOAs govern the pace of spending and ensure that funds are spent for the intended purpose. MILGRPs conduct end use monitoring. By the nature of the program IMET funds are spent in timely manner or will be reallocated.

Evidence: a. USG financial reports, b. Program/financial management reviews. C. The AECA and FAA are governing authorities for program implementation.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES Question Weight: 14%

Explanation: For FMF funded cases and IMET funded training, the USG uses the same rules for the customer as it does for itself. On an annual basis SOUTHCOM reviews, and re-allocates, funding based upon programs status.

Evidence: a USG (DSCA) Policy Guidance.

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: YES Question Weight: 14%

Explanation: Given the direct links between terrorism and transnational crime (especially illegal narcotics trafficking) there is extremely close coordination of programs funded under International Narcotics and Law Enforcement funding. For example, the effort to prevent terrorists attacks in Arauca Colombia includes $93M FMF (FY 2003) for the Colombian Army and several INCLE funded programs that support the police. Several FMF funded programs are designed to support other military assistance programs such as excess defense articles.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

3.6 **Does the program use strong financial management practices?**

Answer: YES Question Weight: 14%

Explanation: LOAs are overseen by DFAS Denver and DSCA Comptroller as well as the MILGRP, PM, and SOUTHCOM. Implementation of the program is followed by MILGRP, PM, and SOUTHCOM.

Evidence: a. DFAS Reports

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	83%	100%	53%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 14%

Explanation: By allowing any number of partner agencies to simultaneously view and analyze the same data and recommendations, the Web Based Planning Tool has made the management of the FMF and IMET programs more efficient and transparent. Additionally, special provision in the authorization of Colombia's 2003 FMF allowed the Department to merge certain funds with ACI funds because both programs were supporting different programs (FMF protecting a key pipeline, ACI supporting narcotics objectives) with the same type of helicopter, and the ACI funding program was already well established.

Evidence: a. DSCA Web Based Planning Tool

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight: 20%

Explanation: The long-term and strategic annual goals outlined in the BPP have demonstrated adequate progress in achieving their goals -- 85% Civilian Ministers of Defense and terrorists attacks against the key pipeline are down by two-thirds. Moreover, with the exception of Colombia, military and political stability are strong in the region, and the situation in Colombia is improving, especially in the area supported by FMF. There is significant cooperation on a broad range of defense issues; seven Latin American countries joined the Coalition against Iraq, the US has routine access to four Forward Operating Locations in the region, and there has been demonstrable progress in creating Confidence Building Measures that reduce military tension.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight: 20%

Explanation: As noted earlier, with the marked increase in FMF from FY2002 to 2003, some annual performance goals are still in development. The largest program (80% of WHA's FY 2003 FMF) exceeded the annual performance goals.

Evidence: a. WHA BPP, b. Congressional testimony, c. mission program plans, d. DSCA Web Based Planning Tool.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight: 20%

Explanation: WHA conducted more rigorous interagency MPP reviews, relaying heavily on video conferencing to improve the quality and efficiency of the MPPs. This initiative has improved program efficiency. Improved coordination with DOD to ensure that funding is not duplicated, DOD's procurement process that minimizes cost through volume procurement, and the use of mobile education teams all improved program efficiency.

Evidence: WHA BPP, Mission MPPS, CBJ.

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	83%	100%	53%	Effective

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**
Answer: YES
Question Weight 20%

Explanation: IMET is widely viewed as being among the most effective USG funded programs, and would compare favorable with any civilian scholarship program. FMF is the principle vehicle for providing US security assistance. There are no other comparable USG or private programs

Evidence: a. CBJ b. WHA BPPc. Congressional Testimony

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**
Answer: SMALL EXTENT
Question Weight 20%

Explanation: Various evaluations of the largest program (Projecting the Cano-Limon Pipeline In Colombia [80% of WHA's FY 2003 FMF]) clearly show that it has achieved its intended results.

Evidence:
•
a. Classified Cables, b. Reports from Government of Colombia.

PART Performance Measurements

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	83%	100%	53%	

Measure: Number of terrorist attacks against the Cano Limon oil pipeline.This measures the ability of the Colombian Army to defend a high value target in difficult terrain distant from urban centers and normal support structure.

Additional Information: The single largest element of the WHA FMF program is to support activities to protect the Cano-Limon Pipeline

Measure Term: Annual

Year	Target	Actual
2001	170	1.7
2003	< 170	41
2004	< 50	
2005	< 25	
2006		

Measure: Detected maritime narcotics trafficking declines in the Caribbean and Eastern Pacific.

Additional Information: Narcotics trafficking is an indicator for the effectiveness of the Regional Maritime Interdiction program.

Measure Term: Long-term

Year	Target	Actual
2001	66 t.seized	Baseline
2002	117 t. seized	Baseline
2005		
2006		

Measure: Number of countries in the top 50 for in international peacekeeping activities

Additional Information: Indicates support for US policies and capability to conduct peacekeeping operations

Measure Term: Annual

Year	Target	Actual
2001	2	2

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	83%	100%	53%	Effective

2002	2	2
2003	2	2
2004	2	
2005		
2006		

Measure: Percentage Western Hemisphere assitance recipients countries that vounteer for peacekeeping or other coalition operations when requested.

Additional Information: Indicates support for US policies and capability to conduct coalition operations

Measure Term: Annual

Year	Target	Actual
2003	17%	24%
2004	17%	
2005	17%	
2006	17%	
2007	17%	

Measure: Number of Eastern Caribbean Countries participaing in joint multilateral Security Operations.

Additional Information:

Measure Term: Long-term

Year	Target	Actual
2003	bilateral operations	bilateral operations
2004		
2005		

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	83%	100%	53%	

2007	7
2006	

Measure: Percentage of FMF and IMET recipients that participate in coalition operations, joint exercises, and or joint operations with the US when requested.

Additional Information: Indicates cooperation with the US on key defense issues.

Measure Term: Long-term

Year	Target	Actual
2003	> 75%	100%
2004	> 75%	
2006	> 90%	
2005	> 85%	

Measure: Percentage of FMF and IMET recipient countries that have civilians in senior defense leadership positions.This shows the impact of US programs supporting military subordination to civilian authority.

Additional Information: A key indicator of improving civil-military relations in the region is the presence of civilians in senior defense positions.

Measure Term: Annual

Year	Target	Actual
2001	> 75%	85%
2002	> 75%	88%
2003	> 85%	
2004	> 90%	
2005		
2006		

PART Performance Measurements

Program: Security Assistance for the Western Hemisphere
Agency: Department of State
Bureau: Western Hemisphere Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	83%	100%	53%	

Measure: Percentage of FMF and IMET countries that are militarily stable.

Additional Information: Includes countries without coups and or significant casualties (More than 300) from armed conflict or terrorist attacks

Measure Term: Annual

Year	Target	Actual
2001	> 90%	97%
2002	> 90%	97%
2003	> 90%	
2004	> 90%	
2005		
2006		

PROGRAM ID: 10001106

PART Performance Measurements

Program: Security Assistance to Sub-Saharan Africa
Agency: Department of State
Bureau: African Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	43%	83%	67%	Effective

1.1 **Is the program purpose clear?** Answer: YES Question Weight 20%

Explanation: Sub-Saharan Africa security assistance programs are designed to promote peace and stability, develop indigenous African peacekeeping and humanitarian response capabilities, develop more professional African militaries, and develop relationships between US and African militaries.

Evidence: Congressional Budget Justification (CBJ) for Foreign Operations Appropriations, FY 2001, FY 2002, FY 2003. FAA legislation, AF BPP, and State Performance Plan.

1.2 **Does the program address a specific interest, problem or need?** Answer: YES Question Weight 20%

Explanation: Security assistance programs are designed to promote peace and stability, develop indigenous African peacekeeping and humanitarian response capabilities, develop more professional African militaries, and develop relationships between US and African militaries. These programs are particularly needed in Sub-Saharan Africa, which is a region beset with conflict and instability. Ongoing or recent conflicts include Ethiopia/Eritrea, Sierra Leone, Democratic Republic of the Congo, Burundi, Cote d'Ivoire and Liberia.

Evidence: Congressional Budget Justification (CBJ) for Foreign Operations Appropriations, FY 2001, FY 2002, FY 2003. FAA legislation, AF BPP, and State Performance Plan.

1.3 **Is the program designed to have a significant impact in addressing the interest, problem or need?** Answer: YES Question Weight 20%

Explanation: Programs are designed to address specific deficiencies in the African militaries that, if successfully accomplished, will increase their capabilities and professionalization and enable them to perform peacekeeping and stabilizing functions in the continent. Funds are often used to provide financial support or support in kind to ensure viability of peacekeeping operations. Without this support, the peacekeeping mission would have to curtail operations, risking the collapse of the entire peace process.

Evidence: Reports and observations from the UN, NGOs, international agencies, EU partners, embassies, independent critiques, and official discussions.

1.4 **Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?** Answer: YES Question Weight 20%

Explanation: Other donor countries are the only other major legitimate source of funding for security assistance. It does not appear that U.S. funding is duplicative of related U.S.G. or foreign donor efforts. These programs are well coordinated with related programs through U.S. interagency and multilateral meetings that include officials from the U.S., other donor countries, and representatives from the African military organizations receiving assistance.

Evidence: State cables reporting on coordination efforts.

PART Performance Measurements

Program: Security Assistance to Sub-Saharan Africa
Agency: Department of State
Bureau: African Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	43%	83%	67%	Effective

1.5 **Is the program optimally designed to address the interest, problem or need?**

Answer: YES Question Weight: 20%

Explanation: The program definition for this exercise includes Peacekeeping Operations (PKO), Foreign mIlitary Financing grants (FMF), and International Military Education and Training (IMET). These programs are designed and implemented in very different ways and attempt to address different needs and areas within a country. There is no conclusive evidence that another approach, other than the current legislated programs, would yield greater results. In addition, AF Mission Performance Plans (MPP) and the AF BPP were dramatically improved in the 2004 cycle to better translate overarching conflict resolution/mitigation goal into objective strategies and tactics clearly linked to outcome based performance indicators. State plans to begin using performance based contracting for PKO funded programs in the upcoming fiscal year.

Evidence: CBJs, MPPs and BPPs.

2.1 **Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES Question Weight: 14%

Explanation: UPDATED FOR 2005: The long term goals and annual targets have been rewritten for these programs in the African Bureau Performance Plan for 2005. The goals and targets have been shared with other bureaus, departments and the embassies in the applicable countries. The revised goals focus on outcomes and meaningfully reflect the purpose of the program. Problems with performance goals that were noted in the 2004 PART review have been addressed.

Evidence: FY 2005 Africa Bureau Performance Plan.

2.2 **Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?**

Answer: YES Question Weight: 14%

Explanation: The revised Bureau Performance Plan includes new annual measures designed to track the performance of U.S. trained military units in Peacekeeping activities and in their involvement in internal political activities. African militaries' involvement in internal political affairs is being tracked to ensure that military leaders understand the importance of civilian control and political non-interference.

Evidence: FY 2005 Africa Bureau Performance Plan.

2.3 **Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?**

Answer: NO Question Weight: 14%

Explanation: Program partners are required to report on performance, but this does not appear to be directly linked to the programs' annual and long-term goals. The Department should refine their reporting requirements for program partners in order to ensure that they are collecting data that allows them to directly evaluate programs' success related to performance goals.

Evidence: Weekly reports for USG contractors (ICI Helos, PAE Depot, PAE Sudan, AIRSCAN Surveillance Platform) as well as training/after-action reports. After action reports from U.S. military and from contractors for every ACRI/ACOTA exercise.

Program: Security Assistance to Sub-Saharan Africa
Agency: Department of State
Bureau: African Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	43%	83%	67%	Effective

2.4 **Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?** Answer: YES Question Weight: 14%

Explanation: Programs are reviewed (at the account, country and regional levels) and coordinated at the embassy level, major military headquarters, and at the departmental levels. For example, State is working with Defense and other interagency staff to develop country blueprints under the African Contingency Operations Training and Assistance (ACOTA) program to better coordinate all security assistance elements. At EUCOM and CENTCOM, security assistance programs for specific countries are integrated annually into the Theatre Security Cooperation Plan with activities and resources available from other -- primarily US military -- budget resources.

Evidence: ACOTA country blueprints. State cables that report on coordination efforts.

2.5 **Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?** Answer: YES Question Weight: 14%

Explanation: Independent evaluations are not performed for all of these programs on a regular basis. However, the planning and budgeting elements in State and Defense regularly review country programs and both IMET and FMF programs are regularly assessed and evaluated by the country team and the interagency. A number of independent or semi-independent reviews have been carried out for a number of specific projects. The State Department's Inspector General (IG) conducted a general inspection of the entire AF Bureau in 2002, in which they assessed the purpose and performance of AF security assistance programs. In the coming year, the program managers will work with RM to identify resources to conduct independent evaluations of these programs. While there are not regularly scheduled independent reviews of all projects, there have been sufficient reviews on an "as needed" basis to merit a yes. However, in future years, the Department should demonstrate that 1.) they have a schedule for carrying out evaluations of all programs on a regular basis; 2.) these inspections are sufficiently independent (RM or the IG within State, or an outside entity); and 3.) that these inspections specifically evaluate performance as related to the programs' goals in MPP and BPP documents. In addition, the programs' performance goals would need to qualify for a "yes" in Sections II and IV, questions 1 and 2.

Evidence: Review of the ACRI program conducted by the U.S. Army Peacekeeping Institute. State cable providing conclusions from a review of a program to train a Guinean Battalion conducted by State and Defense elements and the International Red Cross.

2.6 **Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?** Answer: NO Question Weight: 14%

Explanation: UPDATED FOR 2005: In general and for these specific programs, State Bureau Performance Plans and Mission Performance Plans do not tie resource decisions to annual performance targets.

Evidence: FY 2005 Africa Bureau Performance Plan

PART Performance Measurements

Program: Security Assistance to Sub-Saharan Africa
Agency: Department of State
Bureau: African Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	43%	83%	67%	Effective

2.7 **Has the program taken meaningful steps to address its strategic planning deficiencies?** Answer: YES Question Weight: 14%

Explanation: Steps have and will continue to be taken to address strategic deficiencies that existed in the past. For example, the transformation of the African Crisis Response Initiative (ACRI) program to ACOTA was undertaken to address flaws in the program. Through interagency and multilateral discussions, several planning deficiencies of peace support operations training have been addressed and corrected. AF has been able to take the lessons learned from ACRI and Operation Focus Relief (OFR) and build a stronger and more useful program. Information learned through this process has helped to inform other long term strategies for enhancing peace support operations in the region. More broadly, this year's BPP and MPP started to implement better strategic planning, linking its measures of effectiveness to program performance, so that program elements are now better aligned to help meet performance goals. Lastly, the AF Foreign Operations primer cable is attempting to address some of the shortfalls at posts and the program managers are receiving strategic planning training.

Evidence: CBJ for FY 2003 addresses transformation of ACRI program to ACOTA.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 16%

Explanation: Program managers receive regular reports on program implementation and performance, and this information is used to manage the programs. The Department should, however, work to improve the link between these reporting requirements and specific goals set out in program performance plans (such as the MPP). Information gathered should be included in an annual performance report (or within the MPPs and BPPs) in a way that compares the annual and long-term goals to the programs' actual performance.

Evidence: Weekly reports for USG contractors (ICI Helos, PAE Depot, PAE Sudan, AIRSCAN Surveillance Platform) as well as training/after-action reports. After action reports from U.S. military and from contractors for every ACRI/ACOTA exercise.

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?** Answer: NO Question Weight: 16%

Explanation: State acquisition contract officers are responsible for and held accountable for contract performance, etc. However, it does not appear that performance management contracts are used for program managers or that program managers are held accountable by some other means for achieving the key program results that are defined by agency performance plans. Both AF and PM are addressing deficiencies in the this area, however. For example, AF is in the process of hiring a full-time program manager.

Evidence: Contract evaluation criteria. Establishment of program manager position.

Program: Security Assistance to Sub-Saharan Africa
Agency: Department of State
Bureau: African Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	43%	83%	67%	Effective

3.3 Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?

Answer: YES Question Weight:16%

Explanation: Both the Political Military (PM) and Africa (AF) Bureaus at the State Department track all obligations to ensure funds are obligated in a timely manner and for the intended purpose. Obligation of funds is mandated by legislation. Presently, PM has an office-based tracking system to track information on obligations and allotments. The program bureau is working with the Resource Management bureau and other agency staff to develop a better approach to their financial management requirements. AF is in the process of adding a Program Manager position to better ensure efficient obligation of funding.

Evidence: PM obligation reports and SF 133 reports provide evidence. FMF apportionment requests.

3.4 Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES Question Weight:16%

Explanation: All new contracts require a rigorous competitive bidding process, and the State program managers are both extremely involved with this process and empowered to ensure that the appropriate decisions are made. There is an exception to the competitive bidding process in cases where there is an urgency override. Also, in some cases, existing contracts are extended without a competitive bidding process.

Evidence: Language in contracts and evaluation documents.

3.5 Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?

Answer: NA Question Weight: 0%

Explanation: UPDATED FOR 2005: This question was deleted from the 2005 PART, so it did not seem appropriate to include it in the 2005 reassessment.

Evidence:

3.6 Does the program use strong financial management practices?

Answer: YES Question Weight:16%

Explanation: UPDATED FOR 2005: The programs implemented by the Defense Security Cooperation Agency (DSCA) have procedures to ensure that payments are made properly for the intended purposes. Similar controls are in place on the State side through the contracting, certifying and disbursing process. PM has instituted a process by which all three accounts will be reviewed on a quarterly basis. This review will involve participants from all bureaus and agencies involved in the management of these programs to include AF, PM, RM, DSCA, and OSD. The program managers intend to work closely with State's Resource Management Bureau to further explore, evaluate and improve financial management practices.

Evidence: DSCA audit reports and financial planning documents. PM's Quarterly Management Reviews.

Program:	Security Assistance to Sub-Saharan Africa
Agency:	Department of State
Bureau:	African Affairs
Type(s):	Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	43%	83%	67%	

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight:16%

Explanation: AF is in the process of establishing a program manager. State as a whole has taken serious steps to improve their performance planning process and documents. Senior management in the most recent reviews has imposed the necessity for tighter expectations in the department to establish performance goals and indicators that would demonstrate progress toward both annual and long-term goals and associated costs.

Evidence: Position description for program manager. AF Foreign Operations primer to improve posts understanding of Foreign Operations budget.

4.1 Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)? Answer: LARGE EXTENT Question Weight25%

Explanation: UPDATED FOR 2005: The revised long term and annual goals show clear progress being achieved.

Evidence: FY 2005 Africa Bureau Performance Plan

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: YES Question Weight25%

Explanation: UPDATED FOR 2005: The revised long term and annual goals show clear progress being achieved.

Evidence: FY 2005 Africa Bureau Performance Plan

4.3 Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year? Answer: NO Question Weight25%

Explanation: Performance goals do not demonstrate achievement of efficiencies as measured in dollars over time (or some other quantifiable measure).

Evidence: FY 2005 Africa Bureau Performance Plan

4.4 Does the performance of this program compare favorably to other programs with similar purpose and goals? Answer: NA Question Weight: 0%

Explanation: None of the measures in the common measures program relate to this program.

Evidence:

4.5 Do independent and quality evaluations of this program indicate that the program is effective and achieving results? Answer: YES Question Weight25%

Explanation: Two particular reviews demonstrated that programs were thoroughly reviewed and achieving results.

Evidence: Review of the ACRI program conducted by the U.S. Army Peacekeeping Institute, The Fund for Peace. State cable providing conclusions from a review of a program to train a Guinean Battalion conducted by State and Defense elements and the International Red Cross.

PART Performance Measurements

Program: Security Assistance to Sub-Saharan Africa
Agency: Department of State
Bureau: African Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	43%	83%	67%	Effective

Measure: U.S. trained African military units are available to support peace keeping/humanitarian missions.

Additional Information: Target:By FY 2008 over 85% of African military units deployed in peace keeping/humanitarian response situations will have received specialized training and equipment from the United States. Actual Progress achieved toward goal:FY 2003: Approximately 55% of African military units deployed had been trained by the U.S.

Measure Term: Long-term

Year	Target	Actual
2003	55%	55%
2008	>85%	
2005		
2006		

Measure: African militaries are capable of sustained peace keeping and humanitarian operations.

Additional Information: Target:By FY 2009 African countries which have received military assistance for five consecutive years since FY 2002 will have not participated in any extra-constitutional change of government. Actual Progress achieved toward goal:FY 2003: No U.S. trained African military units have attempted or supported an extra-constitutional change of government.

Measure Term: Long-term

Year	Target	Actual
2003	none	none
2004	none	
2005	none	
2006	none	
2009	none	

Measure: U.S. trained African military units are more professionally led and capable of operating with U.S. forces.

Additional Information: Target:By 2008 U.S. trained units will have operational readiness to execute Chapter 6 or 7 UN Peacekeeping Missions. Actual Progress achieved toward goal:FY 2002 1971 African military received training from the U.S.

Measure Term: Long-term

Year	Target	Actual
2002	1,971	1,971

Program: Security Assistance to Sub-Saharan Africa
Agency: Department of State
Bureau: African Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	43%	83%	67%	Effective

Year	Target	Actual
2005		
2006		

Measure: African militaries are capable of sustained peace keeping and humanitarian operations.

Additional Information: By 2004, 65% of African units deployed to peace support and humanitarian response operations have beeen trained by the US.

Measure Term: Long-term

Year	Target	Actual
2002	33%	33%
2004	65%	
2005		
2006		

Measure: Train African military personnel.

Additional Information: In 2004, train 2100 individuals.

Measure Term: Annual

Year	Target	Actual
2002	1,872	1,872
2004	2,100	2,100
2005		
2006		

PART Performance Measurements

Program: Terrorist Interdiction Program (TIP)
Agency: Department of State
Bureau: Office of the Coordinator for Counterterrorism
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	70%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The Terrorist Interdiction Program (TIP) strives to interdict terrorists or deny them unrestricted movement between countries by: providing select countries with a capability to accurately check the identity of persons passing through air, land and sea ports of entry, against a terrorist watchlist; achieving full and effective use of a watchlisting capability in every country in which it is installed; and by expanding international cooperation with the United States in the global fight against terrorism.

Evidence: a.FY 05 Congressional Budget Justification statement b. Bureau Performance Plan BPP Evidence: A/S Statement: Goal Papers:

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Terrorists are known to take advantage of nations with little or no effective capability to identify or track their passage, and which therefore pose little risk of apprehension. By providing a fast, secure and reliable means to gather information on every person entering or leaving through national ports of entry, and the means to instantly check each person's identity against a terrorist watchlist, TIP provides the potential to dramatically complicate or disrupt terrorist planning and execution. The mobility which terrorist groups continue to display clearly validates the ongoing nature of this problem.

Evidence: a. FY 05 Congressional Budget Justification statement b. Bureau Performance Plan c. Numerous classified documents BPP Evidence: A/S Statement: Goal Papers:

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: Although there are several complementary government watchlisting programs that focus on travelers entering or leaving the United States, Mexico, and Canada, there is currently no program equivalent of TIP in terms of providing watchlisting capabilities, in close cooperation with the United States, to countries beyond the North American continent. There is no known overlap with any government or private sector similar program in any country in which TIP is employed.

Evidence: There is no duplicative government or private programs providing the same capabilities and opportunities for counterterrorism cooperation with the United States. No other federal agency is providing a terrorist watchlisting capability to any country currently engaged through TIP.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: TIP is free of major flaws that limit the program's effectiveness or efficiency. At this time there is no evidence or indication that another approach to terrorist watchlisting or border security would be more effective or efficient than TIP.

Evidence: a.TIP program description. b.TIP watchlisting system description. As part of its continuing evaluation of program effectiveness and ongoing effort to improve performance, the Department is attentive to both government and private technology developments, particularly with respect to name recognition, database manipulation and document screening. Program personnel recently attended a presentation on a TIP-like system being developed under a government/university partnership specifically to support Caribbean nation security deficiencies. While this system may provide similar capabilities, it is too early to assess its potential as a cost-effective TIP replacement.

Program: Terrorist Interdiction Program (TIP)
Agency: Department of State
Bureau: Office of the Coordinator for Counterterrorism
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	70%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight: 20%

Explanation: Countries selected to participate in TIP and receive program resources are identified, by and large, from an interagency approved list of candidate nations. Countries placed on the list are threatened by terrorist transit, have a need for TIP's capabilities, and demonstrate willingness to cooperate with the United States in counterterrorism activities. Ports of entry to receive the TIP watchlisting system within a particular country are likewise chosen through cooperation between the U.S. embassy and host nation government,with emphasis placed on sites with high volume of traveler traffic or high threat potential.

Evidence: a.TIP Joint-Agency Tier List b. FY 04 Program Plan. Endorsement of a country's willingness to cooperate and its capability to effectively use and safeguard program resources is provided by the appropriate U.S. embassy before TIP is introduced. Additionally, the participating nation must sign a memorandum of intent to cooperate with the United States on program objectives before the first resource is provided. Resources, specifically computer hardware and related system peripherals, are provided in quantities and installed in locations agreed to in advance and formalized in a project system requirements document tailored to each country. Ordering of equipment, and its installation, is directly controlled by the U.S. program office, hence there is little chance of specific resources being redirected to unintended legitimate beneficiaries.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 14%

Explanation: As formally stated in the explanation to question 1.1, TIP strives to significantly increase global cooperation with the United States in counterterrorism through widespread terrorist watchlisting. Increasing the number of countries participating with the United States in continual watchlisting and increasing the number of overseas ports of entry at which terrorist watchlisting is continually conducted, is fundamental to the program's purpose and success. A broad global array or "coalition" of U.S. partners conducting continual terrorist watchlisting at as many air, land and sea ports of entry as the threat dictates, and funding allows, is the over-arching outcome desired of TIP.

Evidence: Long-term performance measures are listed in the PART worksheet and the Goals Paper

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 14%

Explanation: As with other counterterrorism programs, TIP strives to field terrorist watchlisting capabilities to an many places as possible, as quickly as possible. Time is of the essence. Since progress is directly tied to annual funding levels, program managers establish long-term and annual targets based on a best-case scenario. Given the many variables associated with each country-specific project, success in meeting targets, even in a best-case scenario, demands careful planning and execution, as well as continual efforts to stretch program dollars as far as practical.

Evidence: Targets are listed on the PART worksheet and the Goals Paper

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 14%

Explanation: TIP annual performance measures are linked directly to the program's long-term progress goals.

Evidence: Annual performance measures are listed on the PART worksheet and the Goals Paper

Program: Terrorist Interdiction Program (TIP)
Agency: Department of State
Bureau: Office of the Coordinator for Counterterrorism
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	70%	

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 14%

Explanation: Although realization of annual performance targets is tied directly to actual annual program funding, program managers nevertheless establish targets that are reasonable, yet strive to exact the maximum output from program dollars.

Evidence: Annual performance targets are listed on the PART worksheet and the Goals Paper

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 14%

Explanation: Program managers from all entities involved with TIP participate in the development of both long-term and annual performance goals and are committed to maximizing program output for the funding dollars received each year. Given the innumerable variables inherent to a complex program like TIP, close cooperation and coordination between managers across the program has been and will continue to be the key to program progress in the face of uncertain funding levels year over year.

Evidence: a. FY 04 Program Plan. Program partners actively participate in the preparation of the fiscal year's program plan which provides the anticipated focus, direction and level of effort for the year's terrorist watchlisting implementation activities.

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NA Question Weight: 0%

Explanation: The Terrorist Interdiction Program has not yet been independently evaluated. The program is only in its second year of broad operational employment. Insufficient data has been generated to warrant an independent evaluation at this point. An initial evaluation in mid-2005 would be appropriate.

Evidence:

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight: 14%

Explanation: Budget requests correspond directly to the personnel and material resources required to meet program performance goals. Budget requests are formulated based on the number of new countries planned for the program that year (as well as the size of the anticipated installation), the number of new ports of entry to receive TIP in countries in which with program is already operating , and finally, the costs to upgrade and sustain the program in countries across the board. Resources include computer systems hardware, software engineering development, systems installation and training labor/travel costs, country-specific infrastructure improvements, and installed systems sustainment costs.

Evidence: a. FY 06 budget request documentation

Program: Terrorist Interdiction Program (TIP)

Agency: Department of State

Bureau: Office of the Coordinator for Counterterrorism

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	70%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight:14%

Explanation: The program has taken necessary steps to bolster its program management staff, improve long-term and annual performance measures, develop more ambitious targets for performance measures, and develop an appropriate and reasonable efficiency measure.

Evidence: a. FY 06 PART submission. A new position for a full time government employee TIP program manager has been approved and advertised. After initial review of candidates the area of consideration has been broadened to attract potential applicants across the U.S. civil service.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight:14%

Explanation: Senior program personnel meet at least weekly, and communicate daily, to discuss progress and performance. The status of program implementation in each country is briefed in detail to program leadership on a weekly basis. Problems are discussed and decisions mutually reached on solutions. The impact of resource availability, both personnel and material, is likewise fully evaluated. Program priorities, while established in general terms through a joint-agency "tier list," require nearly continual evaluation and adjustment by program managers in response to innumerable technical, logistical and diplomatic variables and uncertainties. The program has instituted an aggressive plan for monitoring, and subsequently improving, overall system usage in countries involved with the program.

Evidence: a. Program/project status sheets. The program currently has an informal mechanism in place to regularly gather system usage feedback from U.S. country teams in TIP participant nations. System usage information is used to assess participating nation cooperation, the technical performance of the system, and the quality of training provided. As an example, program managers learned that a host nation had stopped using the TIP watchlisting system to screen travelers. Upon further investigation managers learned that the country had failed to staff the system properly and had not responded to operator turn-over. Additionally, an unreported system problem had resulted in greatly increased time to screen travelers with the TIP system and hence led to unsatisfactory traveler delays. Pressure on the host government to correct staffing problems, and program attention to technical issues have not only returned system to operation , but also put the program on path to greatly expand usage.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight:14%

Explanation: Federal managers are held accountable for cost, schedule and performance results. The program's prime contractor is likewise held accountable for program performance via contract award fees and option year provisions. The current contractor has been associated with the program only since early CY 2003 and was recently awarded the first option year of the contract based on satisfactory and improving performance. The previous prime contractor was terminated for unsatisfactory performance.

Evidence: a. Terms of primary support contract. The government COTR's evaluation of contractor performance can be made available as evidence. As well as the COTR's justification for terminating the original contractor.

Program: Terrorist Interdiction Program (TIP)
Agency: Department of State
Bureau: Office of the Coordinator for Counterterrorism
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	70%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight:14%

Explanation: Program funds are obligated in a timely manner. However, late appropriations (as in FY 03 and FY 04) necessitate urgent action on the part of department controllers and program managers to ensure timely obligation. Funds are always spent for the intended purpose. Department program personnel receive monthly spending reports from the program partner enabling close oversight of the expenditure of department funds.

Evidence: a. Fund expenditure reports. b. Copies of the Interagency Acquisition Agreement (and modifications) governing program funds. c. Copy of the Interagency Agreement which establishes program policy and defines the roles and responsibilities of program partners.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight:14%

Explanation: The program's prime contract is competitively bid and contains performance-based provisions for option years and award fees. Additionally, the program managers have embarked on an aggressive initiative to improve the basic software application for the TIP system. This effort will provide a watchlisting system that is easier to customize, in response to participating nation requirements, and easier to sustain and upgrade. As a result, the program will be installed quicker, with significant anticipated savings in engineering labor. Consequently, the program's engineering resources should be able to handle many more individual country projects than they do now, with little or no additional manpower requirements.

Evidence: a. COTR contractor evaluations and documentation supporting award fees and execution of contract option years. b. Technical description of the TIP new "baseline" effort.

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight:14%

Explanation: Program personnel within the department coordinate closely with representatives from other State Department bureaus, and other U.S. agencies, involved in the broader border security initiative. Although the Terrorist Interdiction Program is unique, its installation in a particular country can augment or complement existing immigration/border security programs. Likewise, TIP can provide the initial framework for additional opportunities for cooperation with a host government in the fight against terrorism.

Evidence: a. Copies of meeting minutes, briefings, planning documents outlining coordination plans. S/CT program personnel ensure country desk officers, and appropriate functional bureau officers are aware of program plans and ongoing activities within their areas of expertise and responsibility. A key focus of this coordination is examination of opportunities to pool resources to achieve dual purposes, as well as to avoid unnecessary duplication.

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight:14%

Explanation: The department's program personnel closely track expenditure of State funds. Program personnel receive monthly status reports on expenditures of State funds, and balances remaining. Program personnel coordinate closely with partner managers and finance office personnel to ensure State funds are used strictly in accordance with department policies, priorities and legislative restrictions.

Evidence: a. Monthly spending and balance report

Program: Terrorist Interdiction Program (TIP)
Agency: Department of State
Bureau: Office of the Coordinator for Counterterrorism
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	70%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 14%

Explanation: The presence of a full-time program coordinator for the past year has greatly improved department ability to maintain daily communication and coordination with the program partner and hence better monitor program activities and improve direct participation in planning and implementation. The department has obtained approval for and continues to actively seek candidates for a full-time government TIP program manager.

Evidence: a. Department TIP Program Manager billet announcement. b. Program Coordinator position description.

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight: 30%

Explanation: The Terrorist Interdiction Program demonstrates measurable and meaningful progress toward achievement of all goals and objectives. The program's desired outcome is directly dependent on the program's outputs, which are tied to annual funding levels. Achieving the long-term goals depends upon both installation of the TIP program and country usage which much be monitored on an annual basis.

Evidence: a. FY 03 program status report, and results to date for FY 04. b. FY 03 and 04 Bureau Performance Plan.

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: YES Question Weight: 30%

Explanation: The program met annual performance goals for FY 03 and is on track to meet or exceed the goals established for FY 04. Achievement of annual performance goals is tied directly to yearly funding levels. Annual targets are adjusted based on anticipated funding, i.e. President's budget request.

Evidence: a. FY 03 program status report, and results to date for FY 04. b. FY 03 and 04 Bureau Performance Plan.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: YES Question Weight: 20%

Explanation: Program management personnel have kept staffing levels trim and have acted on every opportunity to reduce costs and maximize value from available funding dollars. A complete change of contractor team occurred early in FY 03 necessitating the dedication of a considerable amount of time to enable the new team to come up to speed and begin to implement its improvements to the watchlisting system and program execution. FY 04 is only the second full year of broad employment of the Terrorist Interdiction Program. During FY 01 and FY 02 the program was run predominantly as a narrowly focused pilot project to test concept feasibility and to identify and evaluate the innumerable political, technical and logistical details involved with a program of its complexity.

Evidence: a. TIP Master Schedule and Program History. FY 04 saw an approximate 10% reduction in the amount of time required to deploy the watchlisting system following completion of the technical site surveys. Although each country project is different in scope and difficulty, and presents innumerable variables, a further reduction in time to deploy is possible in FY 05. In conjunction with the change in prime contractor, the program management staff embarked on a broad initiative to completely overhaul the watchlisting system's software application. The goal of this ambitious effort is to improve system performance and capability as a counterterrorism tool, to make it simpler to sustain and upgrade, and to make it easier for host nation personnel to operate effectively. As a result, program managers should be able to further stretch the impact and value of each funding dollar, and thereby do achieve more progress with less than a proportionate increase in funding.

Program: Terrorist Interdiction Program (TIP)
Agency: Department of State
Bureau: Office of the Coordinator for Counterterrorism
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	70%	

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA — Question Weight: 0%

Explanation: There is no known comparable government or private program with similar purpose and goals.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: NO — Question Weight20%

Explanation: The Terrorist Interdiction Program has not yet been independently evaluated. The program is only in its second full year of broad operational employment. Insufficient data has been gathered to warrant an independent evaluation at this point. An initial evaluation in mid-2005 would be appropriate.

Evidence:

PART Performance Measurements

Program: Terrorist Interdiction Program (TIP)
Agency: Department of State
Bureau: Office of the Coordinator for Counterterrorism
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	70%	

Measure: Average cost of TIP PISCES phased installations per yearly appropriation (in millions)

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	1.6	1.6
2004	1.3	
2005	1.3	
2006	1	
2007	0.83	

Measure: Percentage of the 60 highest priority countries capable of screening for terrorists through implementation of the Terrorist Interdiction Program.

Additional Information: Achieve significant increases in global counterterrorism cooperation with the United States by enabling 100% of the highest priorities countries threatened by terrorist transit to conduct terrorist watchlisting at key ports of entry by the end of 2009.

Measure Term: Long-term

Year	Target	Actual
2002	0.08	0.08
2003	0.2	0.2
2004	0.33	
2005	0.45	
2006	0.66	
2007	0.8	

PART Performance Measurements

Program: Terrorist Interdiction Program (TIP)
Agency: Department of State
Bureau: Office of the Coordinator for Counterterrorism
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	70%	

Measure: Percentage of travelers screened by participating nation governments with the Terrorist Interdiction Program's watchlisting system across all sites at which the system is installed. Target is 100% by the year 2009.

Additional Information: By the end of 2009 foreign governments participating in the Terrorist Interdiction Program are screening 100% of travelers at sites in which the watchlisting system is installed.

Measure Term: Long-term

Year	Target	Actual
2009	1	

Measure: Annual increase in the number of highest priority foreign ports of entry equipped to conduct terrorist watchlisting in cooperation with the United States.

Additional Information: Increase the number of the highest priority foreign ports capable of conducting terrorist watchlisting in cooperation with the United States by at least 20.

Measure Term: Annual

Year	Target	Actual
2002	3	3
2003	25	25
2004	45	
2005	65	
2006	105	
2007	125	

Measure: Percentage of foreign government usage of the Terrorist Interdiction Program's watchlisting system across all sites at which the system is installed.

Additional Information: Increase participating nation usage of the Terrorist Interdiction Program's watchlisting system by 10% each year across all sites at which the system is installed.

Measure Term: Annual

Year	Target	Actual
2002	0.45	0.45

2003	0.58	0.58
2004	0.64	
2005	0.72	
2006	0.79	
2007	0.87	

PART Performance Measurements

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of the program is to help ensure a comprehensive and effective response to the protection and assistance needs of refugees and to help provide refugees with lasting solutions. The Migration and Refugee Assistance Act of 1962, as amended, authorizes the U.S. Government to provide contributions to UNHCR "for assistance to refugees under his mandate or persons on behalf of whom he is exercising his good offices." UNHCR's mandate is "to lead and coordinate international action for the worldwide protection of refugees and the resolution of refugee problems," making it the Department's primary partner in refugee protection and assistance.

Evidence: a) Migration and Refugee Assistance Act of 1962, as amended; b) Statute of the Office of the United Nations High Commissioner for Refugees; c) 1951 Refugee Convention and 1967 Protocol Relating to the Status of Refugees. BPP Evidence: A/S Statement: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.; Partner Accountability

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: UNHCR was established in 1951 as a temporary office with the responsibility of resettling 1.2 million European refugees left homeless by WWII. New refugee crises emerged, and today UNHCR is one of the world's principal humanitarian agencies, with responsibility to protect and assist nearly 21 million persons including over 11 million refugees. The USG program supports the activities of UNHCR.

Evidence: d) PRM's Organizational Policy and Program Implementation Paper for UNHCR for 2003; e) Opening Statement by High Commissioner at the 53rd Session of UNHCR's EXCOM meeting; f) List of Persons of Concern to UNHCR (UNHCR 2003 Global Appeal). BPP Evidence: A/S Statement: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: UNHCR has the UN mandate to provide for the protection and long-term solution of the plight of refugees, and has special expertise in performing these duties. The U.S. government sees UNHCR's role as unique in this regard, and relies on UNHCR to ensure these duties are carried out. U.S. government support for UNHCR has been authorized by Congressional legislation and is provided solely through this State Department program, thereby avoiding any redundancy. Because of UNHCR's multilateral approach and worldwide presence, it plays a critical role in providing and coordinating refugee assistance (food, water, sanitation, shelter, etc.), although the U.S. government relies on other organizations to carry out refugee assistance as well.

Evidence: a) Migration and Refugee Assistance Act of 1962, as amended; c) 1951 Refugee Convention and 1967 Protocol Relating to the Status of Refugees; g) UNHCR Mission Statement (from 2003 Global Appeal). BPP Evidence: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%

Explanation: This program provides for the protection and care of refugees on a multilateral basis, which allows the U.S. to advance its objectives, while providing only a portion of the costs of the programs. As a member of UNHCR's Executive Committee (EXCOM), the largest single donor, and a key partner of UNHCR, the U.S. has been able to achieve significant progress in promoting its objectives through UNHCR. Support of programs carried out by a multilateral organization like UNHCR, however, means that the U.S. (or any other donor) does not have sole control over the direction of the organization, nor can it guarantee that the organization will receive adequate resources to carry out its mandate.

Evidence: b) Statute of the Office of the United Nations High Commissioner for Refugees; g) UNHCR Mission Statement (from 2003 Global Appeal); h) UNHCR document explaining impact of funding shortfalls.

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: This program supports UNHCR activities to meet the immediate and long-term needs of refugees. Donor support comes in response to UNHCR's funding appeals that are issued by country and activity. At the end of the year, UNHCR reports on how the funding have been used. To assist UNHCR, the U.S. provides the majority of its funding at the regional and subregional level, so that as funding requirements change throughout the year, UNHCR has flexibility in the use of its resources. However, in situations where the USG feels adequate steps are not being taken to advance U.S. priorities, earmarked funding at the country level or for cross-sectoral programs is provided to further promote U.S. goals. Examples include contributions to particular countries in Africa, additional contributions to support 'up to standards' initiatives in Africa, and specific funding for USG priorities such as refugee protection, registration, and refugee women and refugee children.

Evidence: i) Report at UNHCR's 26th Standing Committee: "Overall Program and Funding in 2003 and Projections for 2004;" j) Charts of USG contributions to UNHCR, 2002-03; k) Example funding contribution to UNHCR (includes earmarked contribution in support of U.S. priorities; l) Example UNHCR report on use of USG earmarked funding); m) USG/UNHCR Framework for Cooperation, 2002-04. BPP Evidence: A/S Statement: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 13%

Explanation: The long-term performance measures included in this review are based on key program priorities and include increasing refugee protection, better assessing refugee needs worldwide, and strengthening UNHCR's budget management. Additional long-term goals are included in the Framework for Cooperation, and the Bureau Performance Plan and policy papers.

Evidence: m) USG/UNHCR Framework for Cooperation, 2002-04; n) PRM Bureau Performance Plan, 2005; o) Objectives section of PRM's Organizational Policy and Program Implementation Paper for UNHCR for 2003. BPP Evidence: A/S Statement: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.

Program: UN High Commissioner for Refugees (UNHCR)

Agency: Department of State

Bureau: Bureau of Population, Refugees, and Migration

Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 13%

Explanation: This program has set the following targets to be achieved by or before the end of 2009: establishing 50 additional UNHCR international protection posts and getting 40 mainstreamed into UNHCR programs or supported by other donors; obtaining a real assessment of refugee needs in all countries with greater than 10,000 refugees; and improved UNHCR budget management by reducing the number of annual negative audit findings by 50%, and increasing the percentage of negative findings for which adequate progress has been made, in the subsequent year, to 90%.

Evidence: n) PRM Bureau Performance Plan, 2005; o) Objectives section of PRM's Organizational Policy and Program Implementation Paper for UNHCR for 2003. BPP Evidence: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 13%

Explanation: Each long-term performance measure has at least one accompanying annual performance measure that is aggressive and demonstrates the accomplishment of the long-term goal.

Evidence: m) USG/UNHCR Framework for Cooperation, 2002-04; n) PRM Bureau Performance Plan, 2005; o) Objectives section of PRM's Organizational Policy and Program Implementation Paper for UNHCR for 2003; p) USG Agreement with UNHCR on increasing UNHCR Resettlement referrals; q) Initial progress report on UNHCR Resettlement referrals. BPP Evidence: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 13%

Explanation: Each of the annual goals has baseline figures and outyear goals that represent a significant increase in performance of the program. For example, in 2003 UNHCR had 240 officers working in the "protection" area. In 2004, the goal is to establish a budget mechanism for creating additional posts in the "protection" area, with the long-term goal of increasing the number of permanent professional staff who focus on refugee protection, and to create and receive funding for at least 25 additional protection-related posts.

Evidence: m) USG/UNHCR Framework for Cooperation, 2002-04; n) PRM Bureau Performance Plan, 2005; o) Objectives section of PRM's Organizational Policy and Program Implementation Paper for UNHCR for 2003. BPP Evidence: A/S Statement: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.

Program: UN High Commissioner for Refugees (UNHCR)

Agency: Department of State

Bureau: Bureau of Population, Refugees, and Migration

Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: YES Question Weight: 13%

Explanation: The program partner has been informed of the specific short and long-term performance measures included in this document, and efforts in the past year suggest that it is taking USG priorities seriously and striving to address them. Additionally, the U.S. and UNHCR have an annual Framework for Cooperation, which represents a "policy commitment" (not legally binding), and is signed by the UN High Commissioner for Refugees and the Assistant Secretary of State for PRM. Progress on Framework objectives is tracked and reported on by both parties, including through semi-annual discussions between the two parties. The State Department has also recently established an understanding with UNHCR regarding increased resettlement referrals. The various priorities in the Framework for Cooperation are incorporated into the FY 2005-06 Bureau Performance Plans.

Evidence: m) USG/UNHCR Framework for Cooperation, 2002-2004; p) USG Agreement with UNHCR on increasing UNHCR Resettlement referrals; q) Initial progress report on UNHCR Resettlement referrals; r) UNHCR Quarterly Report on Progress made towards the 2004 USG/UNHCR Framework for Cooperation; s) Conclusions at the 53rd Session of UNHCR's Executive Committee; t) UNHCR's Agenda for Protection. BPP Evidence: A/S Statement:

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 13%

Explanation: The last bureau-wide evaluation was undertaken by the Department's Inspector General's (IG) office in 1995. Evaluations of particular aspects of the bureau's work related to this program have been conducted more recently. In 2002, the Department's IG office reviewed the bureau's programs on behalf of refugee women, and in 2003 the GAO completed a review of protection efforts on behalf of refugee women and girls. UNHCR submits to its own series of internal and external evaluations. Recent independent evaluations of UNHCR programs of special importance to the U.S. include the review of UNHCR's policy on Refugee Women, the Protection of Refugee Children, and UNHCR's Community Services Function, several of which were supported by bureau funding.

Evidence: u) State Dept IG review of PRM, 1995; v) GAO report on protection of refugee women and girls, 2003; w) State Dept IG review of Refugee Women's Programs, 2002; x) PRM response to recommendations of IG review of Refugee Women's Programs, March 2002; y) Independent evaluation of UNHCR's Kosovo Women's initiatives, 2002; z) Independent evaluation of impact of UNHCR activities to Protect Refugee Children, 2002; aa) Independent assessment of UNHCR's Policy on Refugee Women and Protection, 2002; bb) Independent evaluation of Community Services function in UNHCR, 2003; cc) UNHCR response to 3 Evaluations of Refugee Women, Children and the Community Services Function; dd) Updated PRM response to recommendations of IG review of Refugee Women's Programs, December 2002; ee) IG Memorandum of October 27, 2003 indicating 2002 IG report recommendation #1 is "closed;" ff) UNHCR Action Plan for Implementation of Recommendations from 3 evaluations (women, children & community services).

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight: 13%

Explanation: Only one of the goals on the measures tab requires direct resources to achieve: "Creation of a separate UNHCR budget mechanism to provide funding for creation of additional posts with UNHCR in the "protection" area, and annual progress toward creation, funding, and mainstreaming of these positions." The Department submits information as to the cost to achieve this target during budget hearings with OMB, but this information is not clearly linked to the performance goal in the Bureau's performance plan or in the Department's Congressional Budget Justification. However, since the Bureau can clarify the impact of policy and funding changes on this goal, they receive credit for this question.

Evidence: n) PRM Bureau Performance Plan, 2005; gg) Fiscal Year 2003 Congressional Presentation Document; hh) State Dept cable (State 53426) showing 2004 contributions to UNHCR in support of program objectives; ii) Budget charts for 2003-05 requests; jj) List of 27 new protection/community services positions; kk) IOM/FOM requesting UNHCR offices carry out needs assessments for 2005 COP; ll) March 25, 2004 email reporting UNHCR intention to share needs assessment info with donors; mm) UNHCR Powerpoint Presentation on MSRP system, October 3, 2003. BPP Evidence: A/S Statement: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: The development of a jointly agreed upon Framework for Cooperation (beginning in FY2001) between the U.S. and UNHCR has provided the program with a new and important strategic planning tool. The framework lays out joint priorities which the U.S. Government then works with UNHCR to advance. U.S. support includes specific funding for priorities such as refugee registration, refugee protection, and resettlement. The current Bureau Performance Plan better quantifies USG priorities and again includes a partner accountability goal. Since the last bureau-wide IG review some years ago, the bureau has adopted a more open and inclusive policy review process whereby each office provides input into the bureau's policy and program decision papers thereby enhancing strategic planning bureau-wide. Finally, the bureau is developing a computer database that is expected to facilitate the tracking of bureau efforts to promote program objectives.

Evidence: k) Example funding contribution to UNHCR (includes earmarked contribution in support of U.S. priorities; m) USG/UNHCR Framework for Cooperation, 2002 - 04; n) PRM Bureau Performance Plan, 2005; nn) Information on efforts to establish Bureau database (Abacus). BPP Evidence: Goal Papers: Partner Accountability

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES Question Weight: 11%

Explanation: The USG monitors progress on its priorities through bilateral discussions with UNHCR officials, participation in governing board meetings, inquiries and interventions by bureau staff in Geneva, and direct monitoring of UNHCR program implementation in the field. UNHCR reports on a quarterly basis on its implementation of the priorities in the Framework for Cooperation and the USG and UNHCR meet to review progress semi-annually. Field activities are monitored by refugee coordinators based in key locations throughout the world, and periodically by Washington-based program officers. RMA/Geneva monitors UNHCR headquarters on an ongoing basis. Information gathered allows the U.S. to promote its policies through governing board meetings, consultations with other donor governments, and bilateral discussions with UNHCR including through monthly phone conversations with UNHCR leadership, regular discussions with UNHCR officials, and demarches. Targeted funding is used to promote USG goals.

Evidence: k) Example funding contribution to UNHCR (includes earmarked contribution in support of USG priorities); n) PRM Bureau Performance Plan, 2005; r) UNHCR Quarterly Report on Progress made toward the 2004 USG/UNHCR Framework for Cooperation; oo) UNHCR Global Report, 2002; pp) Example PRM Field Monitoring and Evaluation Report (on Angolan refugees in Zambia); qq) RefCoord report on review of UNHCR Ethiopia's 2004 Country Operations Plan; rr) Example of Bilateral Discussions: Points for A/S Dewey-HC Lubbers telcon; ss) Example of Bilateral Discussions: Points for PDAS Greene-DHC Wyrsch telcon; tt) USG statements at the Plenary and on Protection at the 53rd Session of UNHCR's Executive Committee meeting; uu) Example of Bilateral Discussions: Points for PRM-UNHCR/Washington Monthly mtg; vv) Example reporting/demarche cable to UNHCR on Southern Africa issues (Rwandan refugees & Malawi program); ww) Example PRM letters (2) to fellow UNHCR donors. BPP Evidence: A/S Statement: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.; Partner Accountability

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 11%

Explanation: PRM officers with direct responsibility for the program are evaluated annually on their efforts to advance program priorities, and awards and advancements are based on their efforts to accomplish these objectives. Continuing employment is contingent on performance of program duties. Program partner staff are evaluated on their performance in advancing UNHCR's Global Objectives, many of which coincide with stated U.S. priorities. Employee performance is considered as employees compete for ongoing assignments and advancements. In locations or for programs where partner performance is not acceptable, program funding may be withheld or funds may be earmarked to encourage cost, schedule and performance results.

Evidence: l) Example UNHCR report on use of USG earmarked funding; xx) List of General Responsibilities of Program Officer - "Job Elements;" yy) Sample Program Officer Performance Appraisal Report Form; zz) Sample UNHCR Performance Appraisal Report Form; ab) UNHCR Global Appeal 2003 - Global Objectives and Indicators of Progress Section. BPP Evidence: A/S Statement: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.; Partner Accountability

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 11%

Explanation: USG funds are obligated and expended by its program partner in a timely manner. In recent years, the first USG contribution of the year has amounted to approximately 50% of the total annual USG contribution and has been given in late December/early January to ensure UNHCR has funds to start the year. (The USG fiscal year starts earlier than that of other donors). The USG makes subsequent contributions throughout the year to meet needs in the middle and later part of the year. UNHCR requests use of USG funding only as it is needed to cover current expenditures. UNHCR reports on the overall use of donor contributions in its annual Global Report. When required, UNHCR provides the USG with special reports on specific earmarked contributions.

Evidence: i) Report at UNHCR's 26th Standing Committee entitled "Overall Program and Funding in 2002 and Projections for 2003;" j) Charts of USG contributions to UNHCR, 2002-03; k) Example funding contribution to UNHCR (includes earmarked contribution in support of U.S. priorities); oo) UNHCR Global Report, 2002; ac) UNHCR financial drawdown request to bureau Comptroller's office.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight: 11%

Explanation: The efficiency indicator adopted by the program is improved inventory control of UNHCR's non-expendable items to ensure resources are adequately accounted for. UNHCR rolled out the first phase of its Management Systems Renewal Project (MSRP), which will streamline its asset tracking system and link headquarters and field operations so that procurement data need only be entered into its system once. Roll out of the MSRP system to the field is expected to be completed by the end of 2005. This is the first step to improving its tracking of financial and material resources. Other UNHCR measures that will improve operational efficiency include the role out in 2004 of its new, standardized refugee registration system (Project Profile) to an initial 20 countries. This will provide a more accurate indication of refugee numbers and protection and assistance needs.

Evidence: n) PRM Bureau Performance Plan 2005; mm) UNHCR Powerpoint Presentation on MSRP system, October 3, 2003; ad) Statement of UNHCR's Head of the Department of Operations, Marjon Kamara, at March 2004 Standing Committee on Project Profile, Standards and Indicators, etc.

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight: 11%

Explanation: Internal efforts are made to coordinate among many partner agencies so that USG funds best support refugees' needs. The UNHCR team includes at least one representative from each PRM office, who reviews each policy/funding proposal to ensure internal coordination. Bureau funding requests are presented to the Bureau's Policy and Program Review Committee, which further enhances internal coordination. When overlapping interests with other agencies occur, PRM coordinates with other agencies to ensure an appropriate USG response. Similarly, the USG promotes coordination among the humanitarian actors, requiring NGO partners to coordinate with UNHCR, and urging coordination among international organizations and other humanitarian actors. The bureau also seeks to improve coordination among donor governments by promoting multi-donor missions and information sharing (including through letters to key donor governments, donor meetings, and providing information on the internet on USG efforts).

Evidence: ww) Example PRM letters (2) to fellow UNHCR donors; ae) NGO instructions on coordination with UNHCR; af) USG statement on coordination at the 25th Standing Committee of UNHCR; ag) UNHCR/WFP MOU; ah) RefCoord instruction cable on participation in UNHCR Country Operations Plan; ai) PRM/DCHA Funding Guidelines. BPP Evidence: A/S Statement: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 11%

Explanation: The UN Board of Auditors conducts annual audits of UNHCR. The USG and other Executive Committee members have urged UNHCR to address problems quickly. Recent findings included lack of an integrated financial management system, incompatibility with other UN systems, and failure to use UN-approved accounting standards. By autumn 2003, of the 20 audit recommendations for 2001, 8 (40%) had been implemented, 11 (55%) were under implementation, and 1 (5%) was not implemented. Completion of UNHCR's Management Systems Renewal Project (MSRP) will implement this final recommendation, which will address the findings noted above. MSRP was launched in Jan. 2004; it will be completed in headquarters by the end of 2004. It will replace disparate, outdated and costly financial and supply chain data management systems with a single, modern, internet-compatible platform. Project roll out in the field will be completed in 2005. PRM requires UNHCR to draw down USG funds no sooner than 30-60 days prior to the funds being expended.

Evidence: k) Example funding contribution to UNHCR (includes earmarked contribution in support of U.S. priorities); aj) UNHCR financial drawdown request to bureau Comptroller's office; ak) Report of the UN Board of Auditors on the Financial Situation of UNHCR, 2001; al) Information on the Development of a new UNHCR financial management system - "MSRP", from the UNHCR 2002 Global Report.; am) UNHCR Progress Report on Implementation of Recommendations of 2002 UN Board of Auditors Report - Feb. 2004; mm) UNHCR Powerpoint Presentation on MSRP system, October 3, 2003. BPP Evidence: A/S Statement: Goal Papers: Partner Accountability

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 12%

Explanation: Through an annual Framework for Cooperation and the associated review procedures, PRM and UNHCR have clear, agreed upon objectives, thereby enhancing the ability of the USG to manage this program. The Framework provides Bureau officers with a set of criteria on which to review UNHCR programs in the field. PRM also has established a standardized, week-long Monitoring & Evaluation training course for all program officers that enhances the Bureau's review of this and other programs. Recent GAO and IG evaluations gave positive reviews of PRM efforts to meet the needs of refugee women and to address refugee protection needs. The Bureau also ensures that UNHCR acts on USG priorities by providing earmarked contributions for these activities. PRM divides financial management functions between its Comptroller's Office and its Office of Policy & Resource Planning, thereby providing a system of checks and balances for funding actions. PRM also funds external reviews of partners' activities.

Evidence: k) Example funding contribution to UNHCR (includes earmarked contribution in support of USG priorities); m) USG/UNHCR Framework for Cooperation, 2002-04; u) State Dept IG review of the PRM Bureau, 1995; v) GAO report on protection of refugee women and girls, 2003; w) State Dept IG review of Refugee Women's Programs, 2002; x) PRM response to recommendations of IG review of Refugee Women's Programs, March 2002; y) Independent evaluation of UNHCR's Kosovo Women's initiatives, 2002; z) Independent evaluation of UNHCR activities to Protect Refugee Children, 2002; aa) Independent assessment of UNHCR's Policy on Refugee Women and Protection, 2002; bb) Independent evaluation of Community Services function in UNHCR, 2003; cc) UNHCR response to 3 Evaluations of Refugee Women, Children and the Community Services Function; an) PRM Bureau Monitoring and Evaluation training packet; ao) IG Memorandum of October 27, 2003 indicating recommendation #1 from 2002 IG report is "closed." BPP Evidence: Goal Papers: Partner Accountability

PART Performance Measurements

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

3.BF1 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 11%

Explanation: The U.S. is a member of UNHCR's Executive Committee and as such participates in UNHCR governing board meetings and reviews UNHCR's activities, including reports provided by UNHCR. The USG also meets frequently with UNHCR on a bilateral basis. The program partner's field operations are monitored by the Bureau's field-based Refugee Coordinators and Washington-based program officers. UNHCR headquarters activities are tracked daily by the Bureau's RMA office in Geneva, and a Bureau officer in Brussels monitors issues of importance with donor partners in the EC. Internal and external evaluations of UNHCR activities further enhance the Bureau's oversight capabilities. UNHCR provides extensive and valuable information on its programs through its publications and website.

Evidence: i) Report at UNHCR's 26th Standing Committee entitled "Overall Program and Funding in 2002 and Projections for 2003"; pp) Example PRM Field Monitoring and Evaluation Report (on Angolan refugees in Zambia); qq) RefCoord report on review of UNHCR Ethiopia's 2004 Country Operations Plan; rr) Example of Bilateral Discussions: Points for A/S Dewey-HC Lubbers telcon; ss) Example of Bilateral Discussions: Points for PDAS Greene-DHC Wyrsch telcon; tt) USG statements at the Plenary and on Protection at the 53rd Session of UNHCR's Executive Committee meeting; vv) Example reporting/demarche cable to UNHCR on Southern Africa issues (Rwandan refugees & Malawi program).

3.BF2 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 11%

Explanation: The Bureau has posted the 2004 USG/UNHCR Framework for Cooperation on its publicly-accessible website. The Framework lays out key shared objectives for the program, as well as a brief review of issues of the previous year that require continued attention. Additional performance data is made publicly available through an annual Department report to Congress on American staffing levels at the UN (including UNHCR), and through USG statements at UNHCR governing bodies. UNHCR makes available through public documents and its website, reports and findings from its internal evaluations. The bureau includes this link on its website.

Evidence: i) Report at UNHCR's 26th Standing Committee entitled "Overall Program and Funding in 2002 and Projections for 2003"; n) PRM Bureau Performance Plan, 2005; s) Conclusions at the 53rd Session of UNHCR's Executive Committee; t) UNHCR's Agenda for Protection; y) Independent evaluation of UNHCR's Kosovo Women's initiatives, 2002; z) Independent evaluation of impact of UNHCR activities to Protect Refugee Children, 2002; oo) UNHCR Global Report, 2002; ao) Agenda for discussions with NGOs prior to UNHCR Executive Committee meetings; ap) PRM website information (www.state.gov/g/prm/); aq) Bureau funding information provided for posting to the OCHA Relief Web site (www.reliefweb.int/w/rwb.nsf); ar) UNHCR website information (www.unhcr.ch).

PART Performance Measurements

Program: UN High Commissioner for Refugees (UNHCR)

Agency: Department of State

Bureau: Bureau of Population, Refugees, and Migration

Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?

Answer: LARGE EXTENT — Question Weight 25%

Explanation: The program has accomplished its annual performance goals, which have resulted in significant progress toward achieving long-term performance goals (see section 4.2 for details on annual goal accomplishments). In addition to efforts made in direct response to the protection performance goal, the Bureau is taking additional steps to strengthen UNHCR's protection work by targeting funding in support of 1) UNHCR's field protection activities, particularly in Africa, 2) the development and roll out of its new registration system, and 3) programs for the prevention of gender-based violence against refugee women and children. We have replaced the original budget management goal with a new goal starting in 2005. The new goal aims to minimize UN Auditors' negative findings of UNHCR programs and improve UNHCR's response to recommendations. This goal is more measurable, tracks an important management issue, and allows greater potential for improvement.

Evidence: j) Charts of USG contributions to UNHCR, 2002-03; k) Example funding contribution to UNHCR (includes $3 million earmark for protection personnel and activities in Africa); n) PRM Bureau Performance Plan 2005; r) UNHCR's Quarterly Report on Progress made towards the 2003 USG/UNHCR Framework for Cooperation (shows increase in UNHCR staffing in the "protection" area); as) IRC Protection Surge Capacity Report; at) Allocations from UNHCR 2002 Operational Reserve, UNHCR Global Report, 2002; hh) State Department cable (State 53426) showing 2004 contributions to UNHCR in support of program objectives; kk) IOM/FOM requesting UNHCR offices carry out needs assessments for 2005 COP. BPP Evidence: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: YES — Question Weight 25%

Explanation: The program has reached or exceeded its annual performance goals. PRM has been successful in having UNHCR establish a mechanism whereby donors can provide funding for additional activities not included in its annual budget, and has provided UNHCR with $3 million to create 27 additional protection-related posts (goal was to create 25 new posts). In response to UNHCR headquarters instructions that needs assessments be carried out worldwide, many (well over 5) country offices prepared needs assessments this year in preparation for next year's budget. UNHCR has improved its budget management by adopting a new finanicial tracking system (MSRP), and has advanced the timing of its fall Standing Committee meetings to increase the time Member States have to consider the coming year's budget before its adoption. UNHCR improved its headquarters inventory control last year, increasing the amount of expendable inventory recorded from just over 40% in 2002 ($14.8M/$36.2M) to more than 50% in 2003.

Evidence: j) Charts of USG contributions to UNHCR, 2002-03; k) Example funding contribution to UNHCR (incl. $3 million earmark for protection personnel & activities in Africa); n) PRM Bureau Performance Plan, 2005; r) UNHCR's Qtly Report on Progress made toward the 2003 USG/UNHCR Framework for Cooperation (shows increase in UNHCR staffing in the "protection" area); as) IRC Protection Surge Capacity Report; at) Allocations from UNHCR 2002 Operational Reserve, UNHCR Global Report, 2002; hh) State Dept cable (State 53426) showing 2004 contributions to UNHCR in support of program objectives; jj) List of 27 new protection/community services positions; kk) IOM/FOM requesting UNHCR offices carry out needs assessments for 2005 COP; au) UNHCR Case Study on "Needs versus Resource-Based Planning in the Kenya Refugee Programme, 2003 (Needed); ll) March 25, 2004 email reporting on UNHCR intention to share needs assessment info with donors. BPP Evidence: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.; Partner Accountability

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?**

Answer: YES   Question Weight25%

Explanation: The efficiency indicator adopted by the program is improved inventory control of UNHCR's non-expendable items to ensure resources are adequately accounted for. UNHCR has begun rolling out a badly needed, modern finance and supply chain management computer system, the Management Systems Renewal Project (MSRP), which will streamline the asset tracking system and link headquarters and field operations so that procurement data only needs to be entered into the system once. The MSRP system is expected to allow for much improved inventory management and control. Other activities aimed at improving program partner efficiency includes the roll out of Project Profile, and improvements in UNHCR's human resource policies.

Evidence: j) Charts of USG contributions to UNHCR, 2002-03; k) Example funding contribution to UNHCR; r) UNHCR's Qtly Report on Progress made toward 2003 USG/UNHCR Framework for Cooperation; av) Info on Abacus computer system; pp) Example PRM Field Monitoring & Evaluation Report (on Angolan refugees in Zambia); an) PRM Bureau Monitoring & Evaluation training packet; aw) Information on State Dept IG training for UNHCR; as) IRC Protection Surge Capacity Report; at) Allocations from UNHCR 2002 Operational Reserve, UNHCR Global Report, 2002; mm) UNHCR Powerpoint Presentation on MSRP system, October 3, 2003; ax) UNHCR IOM/FOM on new Human Resources policies, of July 7, 2003; ay) UNHCR High Commissioner's Address of June 12, 2003 on human resource policy changes; ad) Statement of UNHCR's Head of Dept of Operations, Marjon Kamara, at March 2004 Standing Committee on Project Profile, Standards & Indicators.

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA   Question Weight: 0%

Explanation: UNHCR is the only international organization with a mandate to provide for the protection and durable solutions to the plight of refugees. PRM is the only USG entity to fund UNHCR programs.

Evidence: b) Statute of the Office of the United Nations High Commissioner for Refugees; c) 1951 Refugee Convention and 1967 Protocol Relating to the Status of Refugees; g) UNHCR Mission Statement (from 2003 Global Appeal). BPP Evidence: A/S Statement: Goal Papers: Protection and Durable Solutions; Assistance; Refugee Admissions to the U.S.

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: YES Question Weight25%

Explanation: The Dept.'s IG last conducted a bureau-wide review of PRM in 1995. The IG reviewed refugee women's programs in 2002. The GAO reported on protection of refugee women and girls in 2003. The IG and GAO found that PRM has taken adequate and appropriate measures to address these issues. The IG "found that the Department has advanced its humanitarian response efforts to provide women refugees and conflict victims with equal access to assistance and protection." The GAO report "found that the U.S. government has consistently pushed for a strong international response." UNHCR funded independent evaluations of partner organizations in the areas of refugee women, refugee children, and community services, and has a plan of action. Other achievements include: funding additional UNHCR protection positions; improving UNHCR's human resource policies; roll out of MSRP and Project Profile; new Registration Handbook and Practical Guide to the Use of Standards and Indicators in UNHCR Operations.

Evidence: u-z; aa-dd; aaa) State Dept "Statement of Action" regarding GAO recommendations on protection of refugee women & girls, 2003; hh) State Dept cable (State 53426) showing 2004 contributions to UNHCR in support of program objectives; jj) List of 27 new protection/community services positions; ff) UNHCR Action Plan for Implementation of Recommendations from 3 evaluations (women, children & community services); ax) UNHCR IOM/FOM on new Human Resources policies, of July 7, 2003; ay) UNHCR High Commissioner's Address of June 12, 2003 on human resource policy changes; az) UNHCR document for 29th Standing Committee meeting with update on Project Profile; ad) Statement of UNHCR's Head of Dept of Operations, Marjon Kamara, at March 2004 Standing Committee on Project Profile, Standards & Indicators; mm) UNHCR Powerpoint Presentation on MSRP system, October 3, 2003.

PART Performance Measurements

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

Measure: UNHCR Inventory Control: Ratio of value non-expendable items procured/total value of recorded non-expendable property procured. (Measures the value of the goods bought versus value of goods actually recorded in inventory. Purpose is to determine how much of the goods bought are lost in transit, and reduce that amount. Ideal ratio is 1:1)

Additional Information: Until 2006, only inventory procured at HQ is tracked and measured. For 2006 and 2007, inventory procured worldwide.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	2.4:1
2003	2.0:1	1.8:1
2004	2.0:1	
2005	1.5:1	
2006	1.5:1	
2007	1.5:1	

Measure: Number of protection positions funded by the USG and the number of positions created by UNHCR. (Tracks succes of the creation of a separate UNHCR budget mechanism to provide funding for creation of additional posts with UNHCR in the "protection" area, and annual progress toward creation, funding, and mainstreaming of these positions.)

Additional Information: Number of UNHCR protection posts worldwide, measured in 2004 by creation of a separate mechanism and number of additional positions supported by USG, in 2005 and 2006 measured by sustaining new positions from 2004 and how many of those are now included in UNHCR budget or supported by donors. Additionally in 2006, the target includes additional USG funded positions.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	240 4/1/03
2004	25; 0	27; 0
2005	25; 3	
2006	41; 12	

PART Performance Measurements

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

Measure: Carry out needs assessments for increasingly smaller UNHCR country programs.

Additional Information: Number of countries with significant refugee populations for which UNHCR provides a comprehensive refugee needs assessment to donors. In 2004, the target was that a needs assessment be carried out for 5 pilot countries. In 2005 and 2006, the target is to have a needs assessment done for all countries with smaller populations.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	No need assess.
2004	5	>5
2005	all >50K	
2006	all >25K	

Measure: Improved budget management of UNHCR through increased donor transparency and prioritization of activities.

Additional Information: This measure aims to ensure budget planning and donor consultations occur earlier in the process to increase donor input.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	after
2004	before	before
2005	measure replaced	
2006	measure replaced	

Measure: The number and percentage of negative findings in an audit report for one year that are addressed by the time of the next year's audit report.

Additional Information: Show improved budget management over the previous year by reducing the number of negative audit findings, and increasing the percentage of negative findings for which adequate progress has been made to address the problem in the subsequent year. The goal measures the number of findings and the percentage of findings that have been addressed.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	20, 40%
2004	18, 50%	

Program: UN High Commissioner for Refugees (UNHCR)
Agency: Department of State
Bureau: Bureau of Population, Refugees, and Migration
Type(s): Block/Formula Grant

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	92%	

2005	16, 55%
2006	14, 60%

Measure: Number of UNHCR protection posts worldwide.

Additional Information: Creation of a separate UNHCR budget mechanism to provide funding for creation of additional posts with UNHCR in the "protection" area, and annual progress toward creation, funding, and mainstreaming of these positions.

Year	Target	Actual
2007	41, 21 b/d, 9 addl.	

Measure Term: Long-term

Measure: Number of countries with significant refugee populations for which UNHCR provides a comprehensive refugee needs assessment to donors.

Additional Information: Carry out needs assessments for increasingly smaller UNHCR country programs.

Year	Target	Actual
2007	all >10K	

Measure Term: Long-term

Measure: Improved budget management of UNHCR through increased donor transparency and prioritization of activities.

Additional Information: This measure aims to ensure budget planning and donor consultations occur earlier in the process to increase donor input.

Year	Target	Actual
2007	measure replaced	

Measure Term: Long-term

Measure: The number and percentage of negative findings in an audit report for one year that are addressed by the time of the next year's audit report.

Additional Information: Show improved budget management over the previous year by reducing the number of negative audit findings, and increasing the percentage of negative findings for which adequate progress has been made to address the problem in the subsequent year.

Year	Target	Actual
2007	12, 60%	

Measure Term: Long-term

PART Performance Measurements

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The purpose of the Border Security Program (BSP) is to protect American citizens both here and abroad and safeguard US borders through improvements in consular programs, processes, and systems. The BSP furthers the mission of the Bureau of Consular Affairs (CA) which is to administer laws, formulate regulations and implement policies relating to the adjudication of visa and passport applications and to the broad range of consular services provided to American citizens.

Evidence: a. Immigration and Nationality Act of 1952 (INA) and subsequent amendments; b. USA PATRIOT Act of 2001; c. Enhanced Border Security and Visa Entry Reform Act (EBSVERA) of 2002; d. Intercountry Adoption Act (IAA) of 2000 BPP Evidence: A/S Statement: Goal Papers:

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: CA's Border Security Program addresses national security needs like ensuring against travel to the US by terrorists or others who pose a threat or intend to violate US immigration laws; ensuring that highly secure US passports are issued to US citizens in a timely and efficient manner; and ensuring that USG assistance is available to Americans abroad. The BSP supports 3M Americans living abroad and millions more who travel overseas each year. Consular services to citizens include help in situations involving death, injury/illness, arrest, citizenship issues, adoption, Federal benefits, international parental child abduction and other crimes. CA assisted in returning 189 abducted children in FY03 to the US. Consular officers adjudicated 7M nonimmigrant visas and 587,000 immigrant visas in FY03. CA coordinated 220,000 interagency Security Advisory Opinions to determine eligibility for a visa. Worldwide passport issuances totaled 7.3M.

Evidence: a. Department of State Strategic Plan. b. Department of State Performance Plan. c. Department of State Performance and Accountability Report BPP Evidence: A/S Statement: Goal Papers: a. Goal Paper AC01 b. Goal Paper HS01 c. Goal Paper AC02 d. Goal Paper MG01

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: The program is not duplicative. It coordinates and works in consultation with DHS and several other agencies in order to avoid redundancy and ensure effectiveness of all programs. Through offices around the US, DHS/USCIS processes petitions for immigrant and certain non-immigrant visas. NVC assures the sufficiency of affidavits of support submitted by petitioners so that consular officers can proceed with visa processing. Using knowledge of the local culture and language, consular officers interview applicants abroad, check names and fingerprints through DOS and interagency clearance processes, and issue or deny visas. CA worked with DHS to create an electronic IV process and other measures to increase efficiency. The BSP and DHS programs complement each other by sharing biographic data and fingerprints. Data collected by DOS is shared electronically with DHS/BCP at ports of entry and USCIS offices around the country for services after immigration. DoS has the sole USG authority to issue passports and a unique role in assisting Americans overseas.

Evidence: a. INA b. Homeland Security Act c. Memorandum of Understanding (MOU) Between the Secretaries of State and Homeland Security Concerning Implementation of Section 428 of the Homeland Security Act of 2002, signed 9/29/03 d. International Child Abduction Remedies Act (ICARA) e. Intercountry Adoption Act (IAA) of 2000. CA and the BSP operate under the INA, which delineates the responsibility of various agencies in immigration and nationality matters. The Homeland Security Act and DoS-DHS MOU further define roles in visa matters and ensure that they do not overlap. BPP Evidence: A/S Statement: Goal Papers: a. Goal Paper AC01 b. Goal Paper HS01 c. Goal Paper AC02 d. Goal Paper MG01

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight 20%

Explanation: The BSP is free of major flaws.The evaluations cited in section 2.6 recognize the progress CA has made in curing some interagency problems hampering the effectiveness of the visa process. Since before 9/11, CA sought interagency datasharing and interoperability of systems to strengthen and streamline the visa process and since then has achieved many successes. The consular namecheck database (CLASS) more than doubled due to input from other agencies. CA, DHS, and academia now share a system to track students (SEVIS). The Consolidated Consular Database (CCD) includes over 70M visa records updated in real-time and is shared with other agencies based on MOUs. CA has offered CCD data via the Open Sources Information System (OSIS), where it can be accessed even by agencies with incompatible systems. CA has an agreement in principle for 2-way datasharing with the FBI over OSIS and are discussing with DHS the use of OSIS to share US passport data.In addition, information from CLASS feeds into the new TSC and TTIC TIDE databases.

Evidence: The Budget in Brief FY 2005. CA's continuing goal is to leverage technology to heighten effectiveness. DoS raised the NIV fee in FY03 in response to rising costs against falling visa demand. In FY04, DoS requested an appropriation to help fund new security-related program requirements. To cover FY05-06 costs, CA has proposed a financing strategy that uses additional fee sources and appropriated funds to mitigate the risks resulting from reliance on one type of fee. In future years, a mix of funding sources will support CA's programs. BPP Evidence: A/S Statement: Goal Papers:

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight 20%

Explanation: CA's BSP targets the needs of American citizens traveling or living abroad and improvements in the visa process and in the management of the consular function worldwide. The BSP contributes to US homeland security, and CA has been working very closely with DHS and other agencies to ensure that it remains focused on initiatives that will further national security. CA has devoted significant resources to consular namecheck systems which add value to government-wide watchlisting and to enhancing consular management, systems, training, and tools so that consular personnel better fulfill their national security responsibilities. The BSP contributes directly to the security of US citizens through the development and creation of more-secure travel documents and information designed to keep them safe abroad and acts as a first line of assistance for Americans abroad in times of trouble. In addition, the State Deparment works in close coordination with foreign governments to assure the global compatibility of programs and processes.

Evidence: The Budget in Brief FY 2005 (BIB). Department of State FY 2005 Performance Plan. Annual Performance and Accountability Report, FY 2003. BPP Evidence: A/S Statement: Goal Papers:

PART Performance Measurements

Program:	Visa and Consular Services
Agency:	Department of State
Bureau:	Bureau of Consular Affairs
Type(s):	Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES Question Weight:13%

Explanation: CA's BSP has developed clear long term performance measures and strategies that are aimed at protecting the safety of American citizens who travel and live abroad and facilitating travel to the US by legitimate foreign visitors and immigrants, while deterring entry by those who might abuse our immigration system or threaten national security. CA is in the midst of a multi-year effort to enhance homeland and border security by adding biometrics to the visa and passport processes, to improve the management of visa operations by consolidating certain functions at US-based visa centers where economies of scale can be realized, and to ensure that Americans have easy access to information and services designed to keep them safe abroad.

Evidence: a. Department of State Performance Plan. b. DOS Performance and Accountability Report. BPP Evidence: A/S Statement: Goal Papers: a. Goal Paper AC01 b. Goal Paper HS01 c. Goal Paper AC02 d. Goal Paper MG01

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?**

Answer: YES Question Weight:13%

Explanation: The targets for CA's long-term goals will challenge its ability to meet them. In the case of biometric visas, the timeframe was advanced to reflect the 10/26/04 deadline in Sec. 303 of PL 107-173 to "issue to aliens only machine-readable, tamper-resistant visas'that use biometric identifiers". CA will meet that deadline. CA worked with DHS to ensure that visas can be read by equipment at POE and data feeds into US-VISIT for the biometric comparison and authentication required by PL 107-173. CA also is working with DHS and foreign governments to help them meet the deadline for biometric passports for VWP countries, although none will have them by 10/26/04 since international standards and interoperability issues were decided so recently. For US passports, CA needs to introduce biometrics to strengthen security, demonstrate global leadership and ensure long-term global interoperability. CA plans to issue passports including a contactless chip at all domestic facilities in FY06.

Evidence: a. Department of State Performance Plan. b. Performance and Accountability Report. BPP Evidence: A/S Statement: Goal Papers: a. Goal Paper AC01 b. Goal Paper HS01 c. Goal Paper AC02 d. Goal Paper MG01

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?**

Answer: YES Question Weight:13%

Explanation: CA's Performance Plan outlines annual performance measures that demonstrate progress toward achieving the program's long-term goals with respect to passports, visas, and consular services to US citizens. As CA rolls out biometrics collection and other enhancements to State's systems, it is crucial that consular employees receive the training needed for effective operation of modernized consular systems, specifically the capture of biometric data (fingerprints and facial image). Annual targets measure the number of people trained and the quality of that training. It is also essential that CA ensures that new procedures, instructions, and controls are understood and applied effectively in consular sections abroad. CA does this by sending Consular Management Assistance Teams to assess posts. In its efficiency measure, CA wishes to ensure that, despite security-related changes, including the addition of a chip with biometric data, Americans are issued passports in a timely fashion.

Evidence: a. Department of State Performance Plan. b. Performance and Accountability Report. BPP Evidence: A/S Statement: Goal Papers: a. Goal Paper AC01 b. Goal Paper HS01 c. Goal Paper AC02 d. Goal Paper MG01

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight:13%

Explanation: CA has baselines for annual measures and has set ambitious targets to meet each year. In FY04-05, CA plans to train unprecedented numbers of employees. This is necessitated by the addition of biometrics to the visa and passport processes. Visa sections abroad are receiving new equipment to capture and process biometric data, and it is imperative that they master its operation. This training supplements the normal refresher training that CA does annually to ensure that consular employees worldwide have the skills to make effective use of the equipment and systems needed to do their jobs. The Consular Management Assistance Teams also have ambitious schedules of visits to posts to assess management controls and procedures. Although CA planned to visit 20 posts after the program began in Feb. 2003, CMATs reviewed 16 posts by the end of FY03. They will work diligently to make sure that at least 30 posts are evaluated each year.

Evidence: a. Department of State Performance Plan. b. Performance and Accountability Report. BPP Evidence: A/S Statement: Goal Papers: a. Goal Paper AC01 b. Goal Paper HS01 c. Goal Paper AC02 d. Goal Paper MG01

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:13%

Explanation: CA works closely with contractors and federal and NGO partners to accomplish mutual goals. An Entry-Exit Project Charter, drafted with INS, Customs and DOT in FY02, forms the basis for collaboration on US-VISIT and a shared commitment between CA and DHS to the collection and exchange of biographic, biometric, and other data to strengthen border security. The FBI is committed to and working with CA on the SAO Improvement Project. Early results show that the FBI has received and responded to every SAO sent so far through the new system. CA aims for database integration with the FBI for completely electronic SAO and fingerprint processing by FY 2007. Working with DOJ and DHS, CA recently transferred data on 330,000 lost or stolen US passports via DOJ to Interpol's lost and stolen document database, available to border officials worldwide. CA and DS work together to combat fraudulent activities that threaten the integrity of US documents. In July 04, the State Department and DHS agreed to provide FBI with SEVIS and USVISIT data. In addition, State provides information .....that is used by TTIC and TSC.

Evidence: a. MOU with DHS. b. Entry-Exit Project Charter. c. Correspondence. d. Contracts. e. Cooperative Agreement with the National Center for Missing and Exploited Children and the DOJ on incoming Hague abduction cases. The DOS-DHS MOU is aimed at coordinating visa efforts. Both agencies work toward the maximum compatibility of IT systems related to visas and entry/exit of aliens, e.g. to ensure that fingerprint data collected by visa officers is checked against DHS's IDENT data and that visa data is available at POE. CA created a DHS liaison office to reinforce interagency coordination. A DHS officer works in CA. CA's passport, visa, and call centers all depend on contractors, and their activities directly support CA's goals. Without this support, CA would not be able to meet the demand for passports, its obligations under visa law, or effectively support citizens seeking consular services. Service partners at passport acceptance facilities commit to and work toward passport goals. BPP Evidence: A/S Statement: Goal Papers:

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 13%

Explanation: Due particularly to the potential for fraud in visa and passport programs, CA strengthens its systems and programs through internal IV&V processes, management controls and independent evaluations, including management assessments of each passport agency. In FY03, CA created a Vulnerability Assessment Unit (VAU) in our Office of Fraud Prevention Programs staffed by officers from CA and DS. The VAU uses automation to detect anomalies in visa and passport processing and potential breakdowns in internal controls, makes recommendations on vulnerabilities, and provides support to DS in visa and/or passport malfeasance investigations. GAO frequently reviews visa processes and interagency efforts related to homeland security in which CA is involved. In addition, State's IG reviews CA programs regularly. State has a Critical Infrastructure Program that reviews CA systems initiatives. CA contracts for an in-depth review of all processes and costs in order to update consular fees.

Evidence: a. Performance and Accountability Report. b. DoS Critical Infrastructure Program reviews. c. GAO and IG reports. d. Cost of service study. GAO's Report 03-132NI, "Visa Process Should be Strengthened as an Anti-terrorism Tool", was a primary guide in developing a roadmap for change and issuing a series of instructions on standard operating procedures (SOPs) ' 67 to date. GAO testimony on 4/22/04 states: "State has taken steps to adjust its policies and regulations concerning the screening of visa applicants and its staffing and training for consular officers." CA organized the Consular Management Assistance Team initiative to reinforce SOPs and management controls at overseas posts. DS performs security audits on IT systems. The American Customer Satisfaction Index measured the satisfaction of recent passport applicants giving CA a higher score than the aggregate Federal Government and private sector/services scores. BPP Evidence: A/S Statement: Goal Papers:

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO Question Weight: 13%

Explanation: CA is a predomonantly fee funded program and annual funding is therefore subject to demand fluctuations for visas and services. CA has a consistent, transparent way to display the full cost of achieving performance targets. CA programs are linked to resource needs through the DoS and Bureau performance plans and budget. CA identifies the costs of each of its major activities in its Cost of Service Study which was not available as a resource during the development of the FY 05 budget. The study, if linked to the budget submission, would show that total costs are reflected in the fees charged for each consular service. CA will work to provide draft Cost of Service Study information to be used in a more timely way in future budget negotiations. As a largely fee-funded program, CA has (until recently) been able to accommodate the cost of legislative changes through revenues. CA must respond quickly and effectively to both a changed security environment as well as to policy directions provided by DHS. Some programs required by law included fee authority to cover costs, e.g. the Diversity Lottery Program. Since FY94, the MRV fee has supported the BSP.

Evidence: a. Budget in Brief b. CPD c. Consular Package d. Cost of Service Study e. DoS Performance Plan. BPP Evidence: A/S Statement: Goal Papers:

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: CA adjusts its plans as appropriate to address deficiencies. CA works with DHS and other agencies to plan interagency initiatives. CA consistently responds to deficiencies identified in internal management reviews and independent reviews and implements changes. CA has modified relevant performance plans to adjust to new responsibilities (which include the gathering of increased biometric data, electronic data entry for all visa applicants, and retaining all rejected visa applications). CA has moved issuance of passports from overseas to domestic facilities and issued guidance to posts setting forth strengthed SOPs for visa processes. CA's goal and the aim of the MOU between DoS and DHS is to make the visa process as secure as possible and to support overall homeland security objectives so that with the immigration check at ports-of-entry and enhanced capabilities of DHS it will form a coordinated and interlocking network of border security in which US citizens can be confident.

Evidence: a. DoS Strategic Plan; b. Performance and Accountability Report; c. Visa Roadmap; d. MOU with DHS. BPP Evidence: A/S Statement: Goal Papers:

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 14%

Explanation: CA collects performance information in its performance report and on contract performance. Data from the CCD and Consular Package help CA identify workload, staffing, and fraud trends. CA's Management Information System provides performance-based data that governs decisions on passport workload and facilities. Since US-VISIT began, more than 300 persons hit against criminal databases, including over 200 matched while applying for a visa, preventing more than 100 known or suspected criminals from entering the country. The Child Support Assistance Program is a huge success. HHS reports that the program has collected over $27 million in child support payments since June 1998 directly attributable to passport denial to the delinquent parent. Following integration of the U.S. Marshals' Warrants Information Network into the passport namecheck system over 25 federal fugitives have been arrested as a result of WIN hits. CA has also added the FBI's 10 Most Wanted Americans to its lookouts.

Evidence: a. Performance and Accountability Report. b. MOUs with other agencies. c. CA's series of Standard Operating Procedures. CA's SOPs and other instructions to posts on management issues correct deficiencies noted in GAO, OIG, and other management reviews. CA's annual survey of posts (Consular Package) seeks information on workload, management and resource issues. CA continues enhancements to the CCD, which captures real-time workload data from overseas. CA's agreements with the Treasury for domestic lockbox consular fee collection have production standards and processes the banks must follow. BPP Evidence: A/S Statement: Goal Papers:

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight:14%

Explanation: Federal Managers, program partners, and contractors are held fully accountable for cost, schedule and performance results. Contracts awarded identify project requirements and deliverables that support program objectives. Federal program partners that participate in MOUs are also held accountable for performance relative to the terms of the MOU. CA consults at operational and senior levels with DHS partners to ensure effective meshing of joint efforts, including the addition of DHS officers to visa sections. Posts are not able to print a visa until the Automated Biometric Identification System (IDENT) response has returned from DHS. CA monitors turnaround time on the BioVisa-IDENT connection. Recently, it averaged 16.5 minutes for all posts worldwide. Contractors are required to present monthly or quarterly performance reports that track performance results, costs, and schedules.

Evidence: a. Contracts. b. MOUs. CA continues its interagency agreements that set forth production standards for all lockbox operations (both visa and passport operations) and works closely with Treasury (the agency that coordinates all USG lockbox agreements) whenever there is a performance problem. CA uses a number of primary contracts in support of consulates and passport agencies to manage portions of consular operations that are not inherently governmental. CA has broadened cooperation with Diplomatic Security (DS), creating a Vulnerability Assessment Unit in CA to alert us to possible malfeasance through statistical analysis. CA is partnering with the Office of the Procurement Executive in the Bureau of Administration and is hiring a Contracting Officer to move toward a greater degree of performance-based contracting. BPP Evidence: A/S Statement: Goal Papers:

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight:14%

Explanation: The Border Security Program obligates at a rate exceeding 99% of planned obligations, minimizing the carryforward of planned spending amounts. Funds are spent for the intended purposes.

Evidence: a. Department's Budget in Brief; b. Congressional Presentation Document; c. Baseline reprogramming notifications; d. Apportionments; e. D&CP Program and Financing Schedules.

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES Question Weight:14%

Explanation: One of the main features of the BSP is IT improvements and training. CA works closely with DS, DHS, FBI, HHS, etc to ensure that IT efforts are complementary, not redundant. CA advocates datasharing to save resources. CA identifies visa tasks that can be shifted from posts to NVC or KCC to use resources more effectively. The Passport Management Information System provides performance-based data that allows managers to track workload and make decisions about inter-agency transfers to keep backlogs at a minimum. Consular Package workload data informs staffing decisions at posts. CA reviews its costs and personnel requirements in cost of service studies. CA examines work processes to see whether competitive sourcing is an option. About 50% of CA's domestic labor requirements, including for public inquiries and passport book personalization, are obtained via competitive sourcing. CA's call centers and processing facilities allow CA to recognize economies of scale.

Evidence: a. Exhibit 300's, FAIR Act. b. Cost of service study. c. CA contributed millions of visa records to the US-VISIT database. d. DoS provided the Terrorist Screening Center and Terrorist Threat Integration Center with over 100,000 records of known or suspected terrorists from TIPOFF, which CA funded. e. The first electronic Diversity Visa lottery smoothed the application process, selection of winners, and disqualification of duplicate entries. f. CA completed a passport records scanning project that ensures that all applications since 1994 are available electronically. g. Other evidence of leveraging technology include 2-D barcodes to speed the processing of visa applications and an Internet registration program to better serve and safeguard Americans abroad. h. Approximately 50 percent of CA's domestic labor requirements, including for public inquiries and passport book personalization, are obtained through competitive sourcing. BPP Evidence: A/S Statement: Goal Papers:

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: YES Question Weight:14%

Explanation: CA collaborates daily with other agencies and NGOs. CA coordinates visa activities with DHS under the MOU signed 9/29/03. CA has senior officers devoted to liaison with DHS, and DHS officers work in CA and at posts. DAS Janice Jacobs is on the US-VISIT Advisory Board and DAS Frank Moss is a member of Source Selection Evaluation Board for the contract being awarded for the next phases of US-VISIT.CA exchanges lookout records with DHS, DEA, FBI, and others.CA shares CCD data with DHS to facilitate identification of legitimate travelers at POE and to expose impostors.CA began a Security Advisory Opinion improvement project that permits the electronic exchange of SAO information among posts, State, and clearing agencies.CA provides data on lost and stolen passports to Interpol via DOJ.CA partners with HHS to recover child support arrearages, with NCMEC on child abduction, and with the US Marshals Service and state and local law enforcement to prevent passport issuance to fugitives.

Evidence: a. MOUs. b. Cooperative Agreement with the National Center for Missing and Exploited Children and DOJ. c. 70% of the visa lookout database is provided by other agencies. Our Consular Consolidated Database can be accessed through the Open Source Information System (OSIS), an SBU network connecting over thirty agencies. CA helped the Office of Child Support Enforcement at HHS and states to collect over $27 million in lump sum-child support payments since June 1998 through a passport denial program. Our integration of the U.S. Marshals' Warrants Information Network (WIN) database of individuals subject to outstanding federal warrants of arrest into the Passport name check system has resulted in numerous arrests as a result of WIN hits. BPP Evidence: A/S Statement: Goal Papers:

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

3.6 Does the program use strong financial management practices?

Answer: YES Question Weight: 14%

Explanation: Revenue data is reviewed on a monthly basis. CA provides updated guidance to posts on how to handle fee collections annually. The CA bureau continues its efforts to review all processes to ensure against any visa and passport vulnerabilities. CA has taken steps to address specific deficiencies noted in GAO and OIG audits. CA has not received any negative reports from the CFO regarding financial management.

Evidence: a. Performance and Accountability Report. b. Consular Management Handbook. c. Template MOU for overseas posts desiring to set up off-site fee collection with banks. BPP Evidence: A/S Statement: Goal Papers:

3.7 Has the program taken meaningful steps to address its management deficiencies?

Answer: YES Question Weight: 14%

Explanation: CA addresses management deficiencies by ensuring that all consular personnel have procedural guidance to fulfill effectively their national security responsibilities and the tools, training, and facilities that allow them to make the best use of their knowledge and skills. CA conducts quality assessments to evaluate and support program initiatives. In FY03 CA began issuing a series of standard operating procedures and sending Consular Management Assistance Teams (CMATs) to high-priority or special-needs posts to help them strengthen visa processes and consular management practices. CA's Vulnerability Assessment Unit uses CA's systems to detect anomalies that may signal malfeasance or other fraud. CA continued its Management Assessment and Internal Controls Reviews at passport facilities. To help detect terrorists, CA worked to enhance the training of consular officers in specific interviewing and counter-terrorism areas. CA provides training at FSI and elsewhere for passport staff.

Evidence: a.Performance & Accountability Report. bVisa Roadmap and SOPs address concerns in the 2002 GAO and OIG reports on visas. All consular sections now review management controls annually. CMATs have been effective in identifying and correcting deficiencies. An expanded Regional Consular Officer Program also provides management help to posts. GAO testimony on 4/22/04 states: "State has taken steps to adjust its policies and regulations concerning the screening of visa applicants and its staffing and training for consular officers." CA followed recommendations in GAO reports, GAO-03-798 on visa revocations and GAO-04-371 on the time taken to adjudicate visas for scientists. CA strengthened revocation procedures by providing notice to DHS and the FBI and sharing a visa revocation lookout code between State and DHS systems. CA invested heavily in systems to move visa applicants more quickly through the interagency clearance process. Today, 80% of such applicants receive clearance within 3 week BPP Evidence: A/S Statement: Goal Papers:

PART Performance Measurements

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight 20%

Explanation: The BSP is on target to meet its long term goals and has implemented many improvements since FY94 including: a) additional trained staff in an effort to meet visa demand; b) a Consular Consolidated Database that fosters better decision-making and is shared with other agencies; c) modernized equipment in consular sections; d) better lookout systems; e) biometric visas; f) a passport with increased security features, to include a biometric in FY05; g) improved management of consular operations, including interviews of all visa applicants with very few exceptions. CA will reach one long-term goal by 10/26/04 when we collect biometric data from both immigrant and non-immigrant visa applicants at all posts. CA plans to begin issuing biometric-enhanced passports soon after that.

Evidence: a. Performance & Accountability Report. b. Performance Plan. c. Exhibit 300s for IT. d. BIB. Posts in Mexico and over 125 others now collect biometric data, including fingerprints, from visa applicants. That data is checked against DHS fingerprint data and available at ports-of-entry in the US-VISIT system. Other evidence includes the deployment of a new, tamper-resistant NIV and a machine-readable IV; a facial recognition pilot for nonimmigrant visas that uses biometrics for anti-fraud purposes; and procurement information and strategy relating to the electronic passport. BPP Evidence: A/S Statement: Goal Papers:

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight 20%

Explanation: CA is on target with its performance measures and over the next year or so more results will be generated. CA worked with DHS on visa goals and with DHS, NIST, ICAO and others to develop biometric standards to be used internationally and in US travel documents. Those standards were set in May 2003 and revised, where appropriate, in May 2004. CA will collect biometric data from all visa applicants by 10/26/04 and begin issuing biometric US passports in FY05. As CA deploys biometric collection capability, CA trains consular staff to ensure they can effectively use the new hardware and software. To further ensure appropriate implementation of new procedures, CMATs have visited over 20 posts as of 4/1/04, with the goal of at least 30 visits this year. CA will continue to meet passport workload to ensure timely passport issuance. Contract support will help to make achievement of goals possible.

Evidence: a. Performance & Accountability Report. b. CMAT reports. c. Biometrics-collection deployment and related training took place at over 125 posts. d. Other training prepared CA employees for other challenges. e. In FY03, CA issued over 7.3M passports. CMATs include participation of other DOS bureaus. They have been well received wherever they have visited and have proved their value as important management and validation tools for CA. BPP Evidence: A/S Statement: Goal Papers:

Program: Visa and Consular Services

Agency: Department of State

Bureau: Bureau of Consular Affairs

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?**

Answer: YES Question Weight 20%

Explanation: CA is always looking at ways to make processes more effective and secure and eliminate any possible redundancies that may arise with the development of the new systems and procedures at DHS. CA leverages technology to improve work processes.CA created an Internet-based NIV form that prints the completed form and a barcode that is read at posts, reducing data input time and errors. Changes in the interagency SAO process begin the transition from telegrams to an electronic SAO process. The clearance process is already more speedy and efficient than it was when GAO reviewed it in 2003. To facilitate changes, CA consolidated some visa functions at NVC and KCC. To obtain the security enhancements of photodigitization for overseas passports at reasonable cost, CA shifted such production to the US. Despite a 23% rise in passport applications, turn-around time to applicants is not increasing. 90% of applications are being processed to issuance within 21 business days of receipt.

Evidence: a. Performance & Accountability Report. b. CA's web site. Electronic data transfer from posts to US-based passport facilities halved turn-around time for passport issuance to citizens abroad. We made the DV Lottery all-electronic and rolled out online registration for Americans. CA maximized the effectiveness of the KCC and took the burden off posts by locating many critical projects there, including the OF-156 storage project, the Facial Recognition Pilot, and the Category I scanning and attaching to CLASS project. CA deployed Passport Record Imaging System Management allowing consular offices worldwide to have electronic access to passport applications. CA increased the effectiveness of CLASS by integrating not only FBI records, but also federal warrant data from the US Marshals Service. Inclusion of criminal records in CLASS enables denial of visas to criminals and arrests of fugitives. All of these initiatives demonstrate improved efficiencies and cost effectiveness of the BSP. BPP Evidence: A/S Statement: Goal Papers:

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: YES Question Weight 20%

Explanation: CA's performance compares very favorably to others involved in the migration process. Since BSP's start in FY94, CA has advocated the use of modern technology to screen applicants, improve the immigration process, and facilitate interagency data sharing. CA built a robust namecheck system with sophisticated algorithms that is a model for others and contributed to a terrorist database that has been adopted by TSC and TTIC. The technology we pioneered in the Border Crossing Card program is the precursor of the current interagency use of biometrics. The CCD's visa records populate the US-VISIT system. CA is a pioneer in facial recognition (FR) applications and has offered its expertise to other agencies interested in real-world uses of FR.CA is pursuing greater interagency coordination using their Open Source Information System. Passport Services' 2003 ACSI score is higher than the aggregate Federal and private sector scores.

Evidence: Performance & Accountability Report, Performance Plan, BIB, Exhibit 300s for IT, MOUs, correspondence with other agencies. CA was ready, willing, and able to share CCD data with the former INS before 9/11, but that agency was technologically unprepared to accept the data until 2002. Also in 2002, CA launched the Interim Student and Exchange Authentication System to provide electronic verification of foreign students and exchange visitors who apply to enter the US, pending INS's completion of the SEVIS system now in use by DHS, State, and academic institutions. CA is prepared to share visa records in near real-time throughout the USG. CA has made the CCD available on the controlled OSIS website to USG agencies with a need to know. CA has introduced improvements that will permit a paperless interagency Security Advisory Opinion process. CA also finished scanning 10 years' worth of passport applications to facilitate both passport security and interagency datasharing. BPP Evidence: A/S Statement: Goal Papers:

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: YES

Question Weight: 20%

Explanation: In FY03-04, consular activities were the subject of several reviews by GAO and other outside organizations, as well as by the State IG. CA programs are currently achieving the intended results. CA has made great strides to remedy previous practices, e.g., populated the lookout system with data from law enforcement and intelligence agencies to improve watchlisting, revised the clearance process to better identify suspected terrorists, later took steps to smooth and expedite that process, tightened the rules on visa interviews, increased datasharing between agencies, and improved the visa revocation process. CA uses IV&V processes and management controls to strengthen its programs. CMATs strengthen management oversight at overseas posts. CA's Vulnerability Assessment Unit uses CA's systems to detect anomalies in visa and passport processing and reduce vulnerability to malfeasance.

Evidence: Performance & Accountability Report, DS Security Reviews of IT systems, IRM certifications of systems, GAO and IG reports. Recent GAO and IG reports and testimony consistently note CA's progress in strengthening the visa process since 9/11. The American Customer Satisfaction Index evaluated the satisfaction of recent passport applicants and found that Passport Services delivered a high degree of satisfaction. BPP Evidence: A/S Statement: Goal Papers:

PART Performance Measurements

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	88%	100%	87%	

Measure: Number of days between receipt of routine passport application by Passport Services and issuance of a passport.

Additional Information: Percentage of passport applications processed to issuance within a certain number of days receipt

Measure Term: Annual

Year	Target	Actual
2002	Baseline	90% within 25
2003		90% within 23
2004	90% within 21	
2005	90% within 19	
2006	90% within 15	
2007	90% within 15	

Measure: Development of a biometric visa program for the United States. Includes continuation of the Border Crossing Card and analysis of facial recognition technology. Future years work towards full implementation of the biovisa program including implementation of a pilot and the development of new technologies, modes of screening and the addition of other biometrics to travel documents.

Additional Information: Baseline included continuation of the Border Crossing Card collection system and analysis of facial recognition technology. Future years work towards full implementation of the biovisa program through implementation of a pilot program at four posts, and working with DHS and NIST to develop technologies and standards. FY 2005-2007 begin to include diplomats and exempt categories to the checks and look to the addition of other biometrics to US travel documents.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	BCC&tech
2003	pilot	pilot
2004	full	full
2005	full+new tech	full+new tech
2006	dips	dips

PART Performance Measurements

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
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Measure: Development of a biometric collection program for US Passports Basline included initiatl discussions within the US and with the international community to determine if ok to include biometrics in passports. Future years included development of a chip to hold the digitized information, the development of software, procurement, beta testing and then the phasing in of the production of new biometric passports. In FY 2007, new more robust technologies will be added to the passport.

Additional Information: Baseline included initial discussions within the US and with international community to determine if it would be possible to include biometrics in passports. 2003, contractors evaluate chip technology. 2004, development of software, initial procurement, and beta testing. In 2005, more than 3m domestic passports will be produced including biometric data. In 2006, all new passports will contain the biometric information of each person. In 2007 additional more robust technolgies will be added to the passport.

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	can it be done?
2003	chiptech	chiptech
2004	ini. Roll	ini. Roll
2005	3m	3m
2006	all	all

Measure:

Additional Information:

Measure Term: Annual

Year	Target	Actual

Measure: Number of CMAT assessments

Additional Information: CMATs did not exist prior to 2002

Measure Term: Annual

Year	Target	Actual
2002	Baseline	0
2003		16

Program: Visa and Consular Services
Agency: Department of State
Bureau: Bureau of Consular Affairs
Type(s): Direct Federal

Section Scores				Rating
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100%	88%	100%	87%	

2004	30
2005	30
2006	30
2007	30

PART Performance Measurements

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Bureau of Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	84%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 10%

Explanation: The Omnibus Diplomatic Security and Antiterrorism Act of 1986 enacted to provide enhanced diplomatic security and combat international terrorism is the basic authorizing legislation for DS. By delegation of authority by the Secretary of State, DS was vested with the responsibility for carrying out the security functions identified in the Diplomatic Security Act. DS supports US foreign policy objectives by providing a secure working environment through the protection of American lives, property and information overseas and domestically from attacks by foreign terrorist and other harmful entities.

Evidence: a. Omnibus Diplomatic Security and Antiterrorism Act of 1986, b. Special Agent Authority, c. Secure Emb. Construction & Counterterrorism Act of 1999, d. Construction Security Certification e. Bureau Performance Plans 2000 - 2005

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 25%

Explanation: In the aftermath of the embassy bombings in Africa in 1998, the Worldwide Security Upgrade Program was created to provide resources to address the threat of transnational terrorism by elevating security to a certain baseline level at all posts. As terrorist activity remains at a historically high level, DS is committed to sustaining these recent protective improvements and supporting new protective security initiatives in Afghanistan, Iraq and Haiti.

Evidence: See Sec. 1, Q 1 f. FY04 & FY05 Appropriation and Budget Requests. h. Congressional Presentation Documents 2004 - 2005; g. Report of Accountability Review Board on Embassy Bombings In Africa 1/99

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight: 30%

Explanation: No other entity is responsible for protecting the conduct of American diplomacy worldwide. As the Department's security and law enforcement organization, DS is the only global effort to keep vulnerability low and continue defensive countermeasures to help thwart terrorists attacks or mitigate their effects against US missions abroad.

Evidence: See Sec. 1, Q 1. DS security responsibilities outlined in the Diplomatic Security Act of 1986: protection of all USG personnel on official duty abroad, their dependents and security a USG missions abroad (other than those under the command of a US area military commander) and DOS facilities in the US.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 15%

Explanation: DS is delegated by law with the responsibility of ensuring that global security provided to DOS & foreign affairs agencies is adequate & appropriate. No independent evaluation has found major flaws in the program. OIG inspections note that DS has accomplished significant achievements through the enhanced perimeter security of compounds, and armored vehicle and explosive detection equipment has been successfully addressed through a replacement life-cycle program. No Accountability Review Board convened since the start of the worldwide security upgrades has found DS derelict in their duties and found that the security systems, procedures, management and countermeasures in place met the standards for the assigned terrorist threat level.

Evidence: a. Omnibus Diplomatic Security & Antiterrorism Act of 1986. kk. OIG SIO-A-02-09, Management of Armored Vehicle Program. ll. OIG 01-FMA-R-006, Surveillance Detection Program.

PART Performance Measurements

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Bureau of Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
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100%	100%	100%	84%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: Resources are specifically targeted to posts to address security needs directly. All but three of the first phase of the comprehensive security upgrade initiatives started under WSU have been completed. The second phase supports the life-cycle replacement program and provides for technical security upgrades at annexes and other high priority non-chancery buildings. Funding through the WSU created a firm foundation on which DOS is building its long-term security posture. Virtually all resources fund countermeasures or personnel that directly support posts and will help to continue baseline standard support for all posts.

Evidence: i. FY 1998 Emergency Supplemental Appropriation Act, j. Budget in Brief; v. Status Reports; x. Threat Assessment Rating/listing process

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 10%

Explanation: The key long-term goal is to ensure security provided to DOS & foreign affairs agencies worldwide is adequate/appropriate for protection of personnel, classified information & national security activities. Long-term progress is measured through level of protection provided to diplomatic missions overseas & domestic through programs for armored vehicles, chem/bio countermeasures equipment & training, local guard/surveillance detection, technical security upgrades & updated background investigations of all DOS employees. A secondary long-term goal is to improve, integrate & sustain worldwide investigative capabilities resulting in improved collection/sharing of information and a final goal of reducing investigative deadlines. This will enable DS personnel/stakeholders to access needed information and services at any time and any place. New web-based applications under development will consolidate DS investigative information and facilitate worldwide sharing of this information.

Evidence: e. Bureau Performance Plans 2004 - 2006; t. Project Charters/Plans 2000 - 2004; u. Status Reports 2000 - 2004; r. DS Eagle; q. IMS.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 10%

Explanation: Due to the nature of the mission, it is critical to meet new crises without disrupting existing vital security operations. The Chem/Bio program is an example of an ambitious target to provide training & escape masks to more than 70,000 personnel within 3 years. The local guard & surveillance detection programs are developing web-based self-assessments to share suggestions & best practices to become more effective & efficient. Perimeter security has been a major aspect of our efforts. Posts have been upgraded & all of the projects called for under the ESA will be complete by the end of this year. The Armored Vehicle (AV) program provides AV's worldwide & is now implementing a replacement program to ensure that all vehicles remain in proper working order.

Evidence: e. Bureau Peformance Plans 2004 - 2006; t. Project Charters & Plans;

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Bureau of Diplomatic Security
Type(s): Direct Federal

Section Scores				**Rating**
1	2	3	4	Effective
100%	100%	100%	84%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:15%

Explanation: DS has very specific annual targets & goals based on the mission of the program. For example, DS is establishing an annual rate for completion of BIs that would update all employees on a 5-year cycle in compliance with E.O. 12968. To improve effectiveness & efficiency of the local guard/surveillance detection programs, Program Management Reviews (PMRs) will be conducted at approx. 100 posts annually. Completion of physical & technical security upgrades, counterintelligence & personnel investigations, overseas infrasturcture & management programs, domestic security, chem/bio countermeasures all contribute toward achieving the long-term goal of providing a safe working environment for USG personnel domestically & on official duty abroad.

Evidence: l. E.O. 12968 ensures the integrity of our workforce and protects national security information.

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight:15%

Explanation: The Bureau Performance Plans include baselines, actuals & ambitious targets that outline the actions taken & planned for DS. For instance, countermeasures formally at only high or critical threat posts (20%) were expanded to all posts (100%). DOS is committed to achieving & maintaining the most comprehensive & cost-effective worldwide security coverage possible to extend activities that began with ESA/WSU funding, build & strengthen existing programs, exercise the flexibility to undertake new initiatives & to support programs to continue defensive countermeasures that lessen our vulnerability by thwarting attacks or mitigating their effects.

Evidence: e. Bureau Performance Plan FY 2000 - 2005.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 5%

Explanation: All USG/contractors with whom DS enters into agreements must commit to & work toward DS' goal of providing secure working environments. Some examples of this coordination include: DS & CA, with DOS, FBI, INS & others working together are committed to the goal of preventing passport/visa fraud to protect the US passport documents, issuance process & curtail use of US passports for transnational criminal activity. DS, OBO, regional bureaus & other agencies are committed to providing safe, secure & functional US diplomatic missions abroad. The OSPB, an interagency consultative body chaired by DS, develops, coordinates & promotes security policies, standards & agreements affecting USG agencies & personnel under authority of COM abroad & establish physical/technical security standards for missions overseas. The DS/USAID MOU sets forth agreement whereby DS performs certain security functions for USAID missions overseas & USAID commits to & assists DOS to fullfill this responsibility.

Evidence: v. 12 FAM & 12 FAH-6; w. DS/CA MOA, dtd 11/03, Sharing of Visa Records, x. DS/USAID MOU dtd 3/24/04, Security Support Abroad.

PART Performance Measurements

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Bureau of Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	84%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**
Answer: YES Question Weight: 15%

Explanation: OIG/SIO is dedicated to the inspection/audit of security programs. OIG audits listed as evidence found the following: systems, processes for tracking, monitoring supplemental funds were sufficient to ensure DOS could fully account for funds expended based on transactions recorded. Surveillance Detection Program, a new security initiative against terrorism, was a significant achievement. Armored Vehicle Program shows DS has taken actions to address the replacement program. Explosive Detection Program revealed that management controls were adequate & equipment operated without false positive readings contributing to a layered defensive system at posts overseas. Review of the Domestic Passport Operations, Fraud Prevention Program, indicated that CA's passport fraud prevention operation could become a model border security program. DS is probably the most audited Bureau in DOS. OIG will began a comprehensive OIG/SIO review of the Bureau starting in 2004.

Evidence: nn. OIG 00-FM-025, Tracking and Monitoring ESA, kk. OIG SIO-A-02-09, Management of Armored Vehicle Program, ll. OIG 01-FMA-R-006, Surveillance Detection Program, jj. OIG ISP-CA-03-25 Domestic Passport Operations, ee. GAO-01-252 & 03-107 Major Management Challenges and Program Risks , gg. GAO-02-1021 Combatting Terrorism DOS Programs,

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**
Answer: YES Question Weight: 15%

Explanation: Funding levels are recommended to the A/S after intensive scrutiny by the Budget & Planning WG which also utilizes prior year's objectives & accomplishments before recommending a programs budget. The Program Planning System utilized by DS, is a centrally managed, Bureau-wide method of prioritizing Bureau activities, responsibilities & objectives. Monthly Resource Board meetings involving A/S & senior managers ensure critical priorities are on track before recommending continued funding. DS budget requests are directly aligned with the operations of the Bureau toward the accomplishment of critical security programs both domestically & abroad.

Evidence: e. Bureau Performance Plans FY 2004 - 2005; h. Congressional Pesentation documents 2004 - 2005; j. BIB 04 & 05 - FY04 appropriation & FY05 funding request includes clear & precise language for funds to continue the comprehensive security upgrade program including perimeter security enhancements, increased cadre of security professionals, improve training & security certification, strengthen programs to keep security vulnerabilities low, maintain defense countermeasures & seek funds that will strengthen security programs & allow them to keep pace with evolving capabilities of those who seek to infllict injury or death on our employees & citizens & destroy US property.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?**
Answer: YES Question Weight: 15%

Explanation: DS' Strategic Planning Meeting in December 2002 focused on the Bureau's mission, performance & strategies. A new mission statement & goals were developed. Efforts continued on the development of the bureau's strategic plan. At DS's Worldwide Conference this year, DS leadership, overseas & domestic, addressed strategic planning, resources, bureau program plans & other policy initiatives that will impact DS for the next decade. This year, the measurement of performance by DS programs has been stressed to senior management as an extremely important aspect of the strategic planning process.

Evidence: e. Bureau Performance Plans; y. Program Planning and Budget (APPS System Application), aa. Quarterly A/S Resource Mgmt. Meetings.

PART Performance Measurements

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Bureau of Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	84%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES Question Weight: 10%

Explanation: Program Management Reviews (PMRs) of all guard contracts overseas & guard posts are conducted in conjunction with RSOs to determine if the conduct of operations is within the scope of the contract. Information collected during the PMRs as well as that collected on existing databases are used to share information & establish best practices which has increased efficiency & resulted in a more effective management of the program worldwide. Major applications being deployed under the DS Eagle System for collection of criminal investigative information, surveillance detection, threat analysis, emergency action & crisis planning information will serve a dynamic purpose towards the improvement of all security programs abroad.

Evidence: oo. Stakeholders Report (LG/SD/Res guards, High Threat Protection and Operational Support); p. SIMAS Security Incident Management and Analysis System; q. IMS Investigations Management System; r. DS Eagle System; s. CEPA Crisis and Emergency Planning Application

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 10%

Explanation: DS & other DOS elements working together ranging from capital construction projects to technical counterintelligence efforts are all held accountable for meeting the long-term drive towards improving the defenses of DOS overseas facilities. Guard contracts have a mechanism called "Deduct Schedule" that holds the contractor accountable for provisions of the contract. This performance indication is used to determine acceptance of next option year under contract or solicitation of new contractor. PMRs assist RSOs to manage the guard programs more effectively & verify services, training & equipment are provided per the contract. Program Reviews of RSOs are conducted by the DS/IP for approx. 40% of posts worldwide annually. Formal reports may contain recommendations relating to the conduct of operations by the RSO & are submitted to the Director of DS. DS is working on establishing the Worldwide Personal Protective Services Contract as a performance based contract.

Evidence: oo. Stakeholders Report (LG/SD/RES guards). qq. Program Management Reviews; bb. Local Guard Program Contracting Instructions

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 15%

Explanation: Despite the fact that DS operated under a Continuing Resolution, 60% was obligated by mid-year. DS internal management information system & CFMS provide financial information, such as amounts obligated & expended, to provide program managers detailed & up-to-date information they need to manage DS funds. Monthly status reports on obligations & commitments are prepared for the Bureau Management Review. The status reports ensure funds are obligated for their intended purpose.

Evidence: n. Central finance Management System (CFMS) Reports; o. Automated Systems Data Input System (ASDIS) Reports; u. Status Reports 2000 - 2004; aa. Quarterly A/S Resource Management Meetings.

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Bureau of Diplomatic Security
Type(s): Direct Federal

Section Scores				**Rating**
1	2	3	4	Effective
100%	100%	100%	84%	

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES Question Weight: 15%

Explanation: Performance measures & targets are included in the program planning & budgetting process. DS is emphasizing the importance of the establishment of output & outcome measures that accurately measure the productivity of the programs, making them more efficient & reduce costs. The CTO has achieved extensive improvements in meeting the Bureau's IT requirements. The EAGLE system is a new platform for DS web-based applications that provide single sign-on access to DS applications. It will give DS the means of centrally storing, sharing & analyzing law enforcement, security & other information. It will also reduce or eliminate repetition in RSO reporting requirements. Centralized management of some cell phone and vehicle accounts has already resulted in reduced cost, more flexibility in services & minimizing charges for excess usage. Cost effectiveness & comparison of past performance is a criterion in the bidding process & selection of all guard contracts.

Evidence: y. Program Planning and Budget, Automated Program and Planning System (APPS); r. DS Eagle System; bb. Local Guard Program Contracting Instructions; oo. Stakeholders Report

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: YES Question Weight: 15%

Explanation: DS has a strong cooperative relationship with CA & others as it strengthens & streamlines its worldwide investigative mission. The Vulnerability Assessment Unit which analyzes consular data & processes to identify vulnerabilities to malfeasance & make recommendations to address them is a joint DS/CA initiative. DS, OBO, regional bureaus & tenant agencies participate in developing/prioritizing Capital Security Construction projects. DS, OBO & OPR are working together to improve the security posture of DOS sponsored overseas schools attended by USG dependents. DS & IRM collaborate on numerous projects such as the SMART pilot program, implementation of a Global ID card, installation of OpenNet Everywhere to permit DOS users to view SBU e-mail from various venues. DS is staffing the FBI "Fly Away" team, assisting the US Marshal Service in apprehending record numbers of fugitives overseas & assigning a DS agent to DHS for counterintelligence liaision.

Evidence: m. State Cables 156657, 235113, 318171 and 011945; w. DS/CA MOU, 11/14/03, Sharing of Visa Records; x. DS/USAID MOU 3/24/04, Security Support Abroad; tt. DS/INTERPOL MOU 5/29/03, Access to Interpol database.

3.6 **Does the program use strong financial management practices?**

Answer: YES Question Weight: 25%

Explanation: Procedures are in place to confirm that all obligations contribute directly to the achievement of the programs & are properly allocated. Project Management concepts also contribute to this process. DS not only utilizes CFMS to provide financial information, such as amounts obligated & expended, to meet DOS's external reporting needs, DS also established an internal management information system to provide program managers with a more detailed & up-to-date information system that allows them to manage their programs & funding on a day-to-day basis.

Evidence: n. Central Finance Management System (CFMS), o. Automated Systems Data Input System (ASDIS), y. Program Planning & Budget, Automated Program and Planning System (APPS), rr. Budget and Planning WG, aa. Quarterly A/S Resource Management Meetings

Program:	Worldwide Security Upgrades
Agency:	Department of State
Bureau:	Bureau of Diplomatic Security
Type(s):	Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	84%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight:10%

Explanation: DS recently underwent a reorganization to more accurately reflect the way we operate, encourage greater operational & management efficiency & eliminate duplication of efforts. Under the restructured reorganization, newly established Assistant Directors exercise more direct oversight & planning for their programs. The Domestic Operations Directorate is restructuring to facilitate procedural changes. The Executive Office is reorganizing to better align operations & management activities. The CTO office was established last year to provide strategic leadership for DS information technology programs and ensure an enterprise approach to DS IT investments. CTO is developing web-based systems to provide best practices established from Bureau Management Processes to improve management and sharing of information.

Evidence: y. Program Planning & Budget, Automated Program and Planning System; aa. Quarterly A/S Resource Management Meetings; cc. DS Reorganization, Domestic Ops. and Executive Office reorganizations p. SIMAS; q. IMS; r. DS Eagle System; s. CEPA.

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: LARGE EXTENT Question Weight:25%

Explanation: The program has demonstrated adequate progress in achieving its long-term goals. Progress is documented in the BPP. Physical security countermeasures along with procedural changes implemented over the last few years have thwarted attacks against USG facilities. USG personnel on official duty abroad & all employees working in DOS domestic facilities perform their duties in support of diplomatic operations in safety from serious injury due to terrorism, political violence, or crime. The truck bomb attack against the Consulate in Karachi in 2002 where no official deaths or injuries of personnel occurred is an example of the effectiveness of these programs. Multiple intelligence reports indicate that terrorist elements reconsidered attack plans against official US missions and assets overseas in response to enhanced physical security measures. DS has been able to document at least 30 such incidents since 9/11.

Evidence: e. Bureau Performance Plans FY 2000 - 2005; u. Status Reports 2000 - 2004; ss. Close out Reports for WSU Projects from 2000 - 2004.

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight:25%

Explanation: The program achieves its annual goals. For example, the use of e-QIP for periodic reinvestigations has advanced the process and DS is now up-to-date initiating reinvestigations. Overall efficiency for completing all types of clearances has been reduced from 120 days at the beginning of FY04 to a current time of 90 days for 90% of cases. Chem/Bio countermeasures escape masks has been provided to 161 posts exceeding initial target of 149 of the 240 posts. We expect to complete TSUs at 147 posts exceeding initial target of 133 posts. Continuing with security upgrades & deploying effective countermeasures protect our employees & information. Support programs that provide enhanced security measures & continuing defensive countermeasures lessen our vulnerability against global terrorist threats.

Evidence: e. Bureau Performance Plans 2000 - 2005; f. FY 04 and FY05 Appropriation and Budget Requests; h. Congressional Presentation Documents 2000 - 2005.

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Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	84%	

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?**

Answer: YES Question Weight25%

Explanation: The new web-based information systems make best management practices available worldwide resulting in a more efficient & cost effective guard program. Competing LGP contracts at post, which comprise the largest portion of DS funding, results in technically acceptable & lowest price bids. PMRs, reviews of field budget plans, ICASS Global Database Budget Submissions, & reviews of contract solicitations & modifications lowered costs at posts, increased support at others, with more effiicent use of resources worldwide. Clearance reciprocity with other agencies who conduct and adjudicate background investigations in accordance with established standards will result in individuals hired by DOS with an existing federal security clearance retaining that clearance at DOS. Reducing time and cost of reinvestigating that individual.

Evidence: u. Status Reports 2000 - 2004; oo. Stakeholders Report; m. State Cables 156657, 235113, 318171, and 011945.

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA Question Weight: 0%

Explanation: Security requirements associated with our diplomatic functions abroad are unique. No other security related programs are vested with responsibility of providing protection for our diplomatic missions & personnel abroad. Therefore, this question is not applicable. Under the Diplomatic Security Act of 1986, by delegation of authority, the A/S for DS is responsible for the protection of all USG personnel on official duty abroad, their accompanying dependents & USG missions abroad (other than those under the command of a US area military commander), security at DOS facilities in the US; development & implementation of communications, computer & information security; emergency planning; & performance of other security, investigative & protective services as required & authorized by law.

Evidence: a. Omnibus Diplomatic Security and Antiterrorism Act of 1986.

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: YES Question Weight25%

Explanation: OIG/SIO is dedicated to continuously review security programs & security at posts. Reports consistently find security effective and recommendations of improvement are resolved. New initiatives undertaken for physical & technical security upgrades, infrastructure improvements, acquisition of goods & services, & enhancement of local guard programs have been reviewed by the OIG. The GAO reports to Congress included reports on Combatting Terrorism, DOS Challenges (Embassy Security, Security Upgrades), Lessons Learned from Terrorist Attacks on US Embassies.

Evidence: kk. SIO-A-02-09, Management of the Armored Vehicle Program, ll. OIG 01-FMA-R-06 Surveillance Detection Program, mm. OIG AUD/PPA-0208, Overseas Explosive Detection Program, ee. GAO-01-252 Major Management Challenges and Program Risks, ff. GAO/NSIAD 000-83 Overseas Emergency Security Program Progressing, gg. GAO-02-1021 Combatting Terrorism.

PART Performance Measurements

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Bureau of Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	84%	

Measure: Number and percentage of staff/time needed to complete background investigation cases. Targets measure the number of staff needed to complete a certain percentage of the applicant cases over a certain number of days.

Additional Information: Targets measure the number of staff needed to complete a certain percentage of the applicant cases over a certain number of days. Initial baseline in 2003 was 159 staff; 63% in 77 days

Measure Term: Annual

Year	Target	Actual
2003	Baseline	159,63%,77
2004	130,38%,90	130,38%,90
2005	130,90%,90	
2006	130,90%,90	
2007	130,90%,90	

Measure: The percentage of security countermeasures projects completed.

Additional Information:

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	0.95
2003		0.97
2004	0.98	0.98
2005	0.98	
2006	1	
2007	1	

PART Performance Measurements

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Bureau of Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	84%	

Measure: Number of posts provided with chemical/biological countermeasures equipment, first responder and escape mask training. Includes both domestic and overseas employees and training.

Additional Information:

Measure Term: Long-term

Year	Target	Actual
2002	Baseline	2/240
2003	240/240&75/240	240/240&75/240
2004	195/240&1250	195/240&1250
2005	240/240&2500	240/240&2500
2006		

Measure:

Additional Information:

Measure Term: Annual

Year	Target	Actual

Measure:

Additional Information:

Measure Term: Annual

Year	Target	Actual

Measure:

Additional Information:

Measure Term: Annual

Year	Target	Actual

PART Performance Measurements

Program: Worldwide Security Upgrades
Agency: Department of State
Bureau: Bureau of Diplomatic Security
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Effective
100%	100%	100%	84%	

Measure:

Additional Information:

Year	Target	Actual	**Measure Term:** Annual

Measure:

Additional Information:

Year	Target	Actual	**Measure Term:** Annual

Measure:

Additional Information:

Year	Target	Actual	**Measure Term:** Annual

PART Performance Measurements

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	86%	100%	59%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The program purpose is to promote and sustain freedom and democracy by broadcasting accurate and objective news and information about America and the world to audiences in Africa.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: Broadcast via Voice of America (VOA), the program addresses the need in Africa for accurate news and information about events in the region and the United States. Broadcasting explains U.S. policies, and establishes constructive dialog to improve relations with and increase understanding among people in the region. The program provides information on issues relevant to the region: war, poverty, political conflict, and numerous social concerns. USAID funds some VOA Africa programming on critical health issues, including the HIV/AIDS epidemic and polio eradication efforts.

Evidence: Africa Annual Performance Plans; The dearth of free, unbiased media and the existence of anti-American reporting in Africa creates a need for timely and accurate reporting of U.S. policies and actions as well as events in the region and the world at large.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: The Broadcasting Board of Governors (BBG) is the independent Federal entity responsible for all U.S. government and government-sponsored, non-military international broadcasting. Its efforts are not duplicative of other U.S.-sponsored broadcasting in Africa. Other unbiased, western media outlets broadcast to Africa, including the BBC and CNN. However, only U.S. international broadcasting has immediate and guaranteed access to accurate information about U.S. interests and policies and can be relied upon to provide a distinctly American perspective on events.

Evidence: The U.S. International Broadcasting Act of 1994 and the Foreign Affairs Reform and Restructuring Act of 1998 state that U.S. international broadcasting should not duplicate the activities of private United States broadcasters or the activities of government-supported broadcasting entities of other democratic nations.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: There is no conclusive evidence that another approach would be more efficient/effective at achieving the program's goals. In other regions the BBG broadcasts through two entities: 1) VOA, which is a direct federal program, and 2) surrogate broadcasters Radio Free Europe/Radio Liberty (RFE/RL) and Radio Free Asia (RFA), which are non-profit grantees. However, the only mechanism used for broadcasting into Africa is VOA. There is currently no indication that countries in Africa are in need of surrogate broadcasting, such as that provided by RFE/RL and RFA. Broadcasting to Africa through a direct federal program (as opposed to funding private, independent broadcasters) continues to be the best option because only VOA has immediate and guaranteed access to accurate information about U.S. interests and policies, and provides an American perspective on events. Retaining direct control over transmissions and programming content through VOA ensures that broadcasting maintains its quality and directly supports the mission of the program.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				**Rating**
1	2	3	4	Moderately Effective
100%	86%	100%	59%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: The BBG is the sole Federal entity that broadcasts to Africa for the purpose of delivering accurate and objective news and information about the United States and the world. VOA broadcasts in the languages used most widely to reach the broadest possible audience: English, French, Portuguese, Hausa, Swahili, and a variety of local languages. This approach yields 45% of VOA's total worldwide radio audience. Annual Language Service and Program reviews continually refine the target audience. For example, reviews in FY 2002 led to increased programming in the Horn of Africa to target Muslim populations as part of the War on Terror.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter; Africa Program Reviews and annual Language Service Reviews

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 14%

Explanation: BBG's Africa Division performance plans include a long-term outcome measure that ties annual language service activities to the BBG's overall strategic goals. The primary long-term measure is to increase the Africa Division's audience reach. Given that measuring the program's impact on sustaining freedom and democracy in Africa is extremely difficult, audience reach is the most important and quantifiable measure of the program's success. This measure is a culmination of a number of annual common measures used across all of the Africa language services, as well as individual annual action steps for each service. The impact of annual activities (restructuring transmissions, increasing FM broadcasts, increasing region-specific programming, clarifying target audiences, increasing marketing support) should result in increased audience awareness across Africa and an overall growth in audience size. BBG is developing additional long-term goals that address the quality and relevance of broadcasting to better measure program impact.

Evidence: BBG Strategic Plan. Africa Division and individual Language Service performance plans.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 14%

Explanation: The target for the primary long-term performance measure is to increase audience reach by 5% over the current audience reach by FY 2008. The baseline for this measure is the FY 2002 audience reach level, approximately 34 million adults. The related annual goal of increasing weekly audience size for each African language service will track the progress toward achieving this long-term goal.

Evidence: Africa language service performance plans; Language Service Review; Program Review

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				**Rating**
1	2	3	4	Moderately
100%	86%	100%	59%	Effective

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?**

Answer: YES Question Weight:14%

Explanation: The Africa Division has annual performance measures for both the Division and the individual language services, all of which support the long-term goal of increasing audience reach. There are 4 common measures for all 7 language services: 1) percent of weekly audience, 2) program quality rating, 3) signal strength rating, and 4) cost per listener. The last common measure - cost per listener - is an efficiency measure. Each language service also has, or is developing, individual annual action steps with milestones tailored to the nature of the language service and target population. These contribute to achieving the annual and long-term goals. For example, the English to Africa service performance plan includes adding FM coverage, while the Central Africa service plan includes reformatting its programming.

Evidence: Africa language service performance plans; Language Service Review; Program Review

2.4 **Does the program have baselines and ambitious targets for its annual measures?**

Answer: YES Question Weight:14%

Explanation: The common measures have separate baselines and annual targets for each country in each language service. BBG established these separate targets so that language service managers could easily track performance for each country or region they broadcast to, helping them identify areas that need improvement. The baseline for the common measures is the FY 2002 level.

Evidence: Africa language service performance plans; Language Service Review; Program Review

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: YES Question Weight: 0%

Explanation: The VOA Africa Division is the sole entity responsible for U.S. international broadcasting to Africa. Editors and service chiefs closely monitor VOA contractors to ensure their activities, particularly stories generated by stringers, support the Division's goals.

Evidence: Annual Africa Language Service Reviews and Program Reviews

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight:14%

Explanation: BBG's annual Language Service Reviews and Program Reviews conducted by the BBG's Office of Program Review (OPR) serve this purpose. OPR operates independently from all BBG language services. Annual reviews include an initial assessment with regularly scheduled follow-up meetings to check the progress on recommendations generated by the review. The reviews assess radio content, engineering and transmission, marketing efforts, internet development, and production value. BBG contracts with InterMedia, an independent firm that conducts annual surveys for each language service and program, evaluating a variety of factors: market profile, media access and use, and international broadcasting impact and trends. InterMedia also profiles audience listening habits.

Evidence: The annual Language Service Review assesses two basic issues: (1) where should BBG broadcast and (2) how well is BBG broadcasting. The Program Reviews are quality-control mechanisms based on field research and external analyses of program content and presentation.

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	86%	100%	59%	

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO Question Weight: 14%

Explanation: To date BBG hasn't included annual performance plans in its budget requests for Africa. The impact of existing and requested funding on program performance goals is not known. Currently BBG does not link its budget requests for Africa programs to the performance plans or strategic plan. BBG reports all direct costs of the program, but does not tie them to performance goals. It does not allocate indirect costs (including administration and program support) to the Africa Division. BBG will include the Africa Division annual performance plans in the FY 2005 budget request. It has agreed to align the funding needs to the performance plans in Africa and link them the long-term and annual performance goals. It will also link related support costs (engineering, marketing, capital projects) to each language service.

Evidence: FY 2004 Congressional Justification; Language Service Review; Program Review; FY 2004 BBG Budget Request

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?**

Answer: YES Question Weight: 14%

Explanation: BBG designed a new performance plan template to use for all language services, including Africa. These plans include new performance measures and targets for the Africa Division. The performance plans are based on the new strategic plan, and they attempt to tie individual program goals to the strategic goals of the agency. BBG also continues to revise the new agency strategic plan it presented to its Board in September 2002. This plan proposes an entirely new approach to international broadcasting, "Marrying the Mission to the Market."

Evidence: BBG Strategic Plan, Africa Division Performance Plans

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES Question Weight: 16%

Explanation: Using performance data gathered through its annual Language Service Reviews and Program Reviews, the BBG examines the results to adjust resources and set strategic priorities. Program Reviews also include content and production analysis to assist managers in improving performance. These same data are included in the Performance Plans. These reviews have resulted in the development of websites for all African language services, improved information on health issues, and increased focus on young audiences. Review of data on broadcast reach initiated an examination of options to increase FM broadcasting in urban centers.

Evidence: Language Service Review, Program Review, Africa Division Performance Plans.

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	86%	100%	59%	Effective

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES — Question Weight: 16%

Explanation: Senior managers' "Line of Sight" performance appraisal system requires critical elements and ratings that are tied to the objectives of the BBG. The annual Language Service Review holds managers and partners directly accountable for results by the corresponding resource allocations. No grantees broadcast to Africa. Contractors are accountable to the same program standards. The Program Review process also measures the quality of their work. Many contractors work on a "pay-for-product" basis, with payment dependent upon the timely receipt of quality products. For example, many "stringers" receive payment for each quality news story they deliver.

Evidence: "Line of Sight" Performance Standards/Appraisals; Manual of Operations and Administration, Sec. 490 - Performance Appraisal System; Language Service Review

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES — Question Weight: 16%

Explanation: All requisitions must include verification that funds are available, and the funds are obligated when a contract or agreement is signed or a purchase order is done. The mid-year and 3rd quarter review provides an opportunity for managers to verify that unliquidated obligations are valid and that once an obligation has been fully expended, remaining balances are deobligated. Financial transactions are coded to both an organization and to a function or project. Given that BBG has a high percentage of fixed costs (salaries, transmission and infrastructure expenses, rent, etc.), funds must be obligated in a timely manner in order to continue operations.

Evidence: The reviews and the allotment control procedures enable the Agency to track obligations to ensure that funds are used for the intended purpose by the appropriate Agency office.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES — Question Weight: 16%

Explanation: The annual Language Service Review process includes an efficiency measure -- cost per listener. The Program Review process also assesses the efficiency and productivy of each language service. To increase program efficiency through IT improvements BBG developed the Production Digitization project for VOA. This multi-year effort will modernize the program production capabilities of VOA's radio and TV through the use of digital audio, video, and computer network technologies. Digital audio and video offers sharp improvements in quality and operational efficiency.

Evidence: Africa Program Performance Plans; Language Service Reviews; Program Review ; Production Digitization for VOA

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: NA — Question Weight: 0%

Explanation: BBG is solely responsible for all non-military, U.S. international broadcasting. Therefore, there are no related programs that share similar goals and objectives.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				**Rating**
1	2	3	4	Moderately Effective
100%	86%	100%	59%	

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight:16%

Explanation: The BBG is cross-serviced by the State Department to provide financial services using the BFMS system. Internal controls are in place to minimize erroneous payments. The BBG Administrative Officers obligate financial transactions, and the State Department processes the payments, thus ensuring checks and balances on BBG accounts.

Evidence: BFMS System. The State Department has received clean audit opinions.

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight:16%

Explanation: The Office of Program Review conducts an independent analysis of program content and presentation, which includes the management of the program. The Action Plans resulting from the Program Reviews lay out specific and meaningful steps to correct deficiencies when they are identified. The Office of Program Review regularly follows up with managers to track progress. The senior managers' "Line of Sight" performance appraisal system requires critical elements and ratings based on the mission and is tied to the objectives of the BBG.

Evidence: Program Reviews; BBG Manual of Operations and Administration "Line of Sight" Performance Appraisal System, Section 490

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight25%

Explanation: In the past year BBG has taken steps to advance progress toward increasing audience reach by 5%. Once the FY 2003 African language service and program reviews are complete BBG will be able to more accurately determine its progress.

Evidence: Language Service Review, Progam Review, Africa Division Performanc Plans

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: LARGE EXTENT Question Weight25%

Explanation: The Africa Division has maintained the FY 2002 baseline for its common measures, and has made progress toward achieving its FY 2003 targets. However, the full progress toward the FY 2003 targets will not be known until BBG completes its FY 2003 Africa language service and program reviews.

Evidence: Africa Division Performance Plans, Program Reviews, Language Service Reviews.

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:

Section Scores				Rating
1	2	3	4	Moderately
100%	86%	100%	59%	Effective

Type(s): Direct Federal

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?**

Answer: LARGE EXTENT — Question Weight25%

Explanation: BBG has already established an efficiency measure -- cost per listener -- and shows improved cost effectiveness for its Africa programs. Previous annual Language Service Reviews and Program Reviews assess efficiency and cost effectiveness through this measure. However, it should be noted that as BBG incurs high capital costs through adding transmitters the cost per listener will increase in the short term. The new transmitters should increase the range of the signal and increase the size of the audience, ultimately driving the cost per listener back down. In other measures of efficiency, the Africa Division created web pages for all of the Africa language services. Through these web pages BBG can reach more people, particularly those that are part of the diaspora, without adding staff or additional resources. VOA has also completed its Production Digitization project for Africa, which modernizes the program production capabilities of VOA's radio and TV through the use of digital audio, video, and computer network technologies, improving quality and operational efficiency.

Evidence: Africa Division Performance Plans, Program Reviews, Language Service Reviews.

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA — Question Weight: 0%

Explanation: BBG is solely responsible for all non-military, U.S. international broadcasting. Therefore, there are no related programs that share similar goals and objectives.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: LARGE EXTENT — Question Weight25%

Explanation: Annual Program Reviews and Language Service Reviews indicate that VOA Africa has its strengths, but there is room for improvement in program content, transmission capabilities, and quality of some reporting. For example, the most recent English to Africa review revealed that 81% of weekly listeners familiar with HIV/AIDS programming believe that VOA is producing the right amount on the topic. However, anecdotal evidence collected through the reviews indicates that HIV/AIDS programming could improve by including more information on prevention and medication. The review also suggests that VOA Africa should produce more stories targeted to specific countries. The weekly audience reach in 2002, which measures the percent of target audience tuning in, ranges from a low of 0.4% in Cote D'Ivoire to a high of 35.3 in Mozambique, indicating a wide range of impact on the target populations. VOA managers have used review results to improve reporting and tailor broadcasts to local populations, as well as restrucuring broadcast transmission plans.

Evidence: Program Review schedules, results and action plans; Language Service Review analysis and results.

PART Performance Measurements

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	86%	100%	59%	Effective

Measure: Audience size for the Africa Division (in millions)

Additional Information: This measure tracks BBG's performance in increasing its audience reach throughout Africa. Baseline in 2002 is 34 million adults.

Measure Term: Long-term

Year	Target	Actual
2002	34	34
2008	35.7	
2005		
2006		

Measure: Program Quaility Score (Range 0-4) - scores are determined through assessments of program content and presentation for each language service. This data is for the Central Africa Service.

Additional Information: This measure charts scores (0 to 4) for language services assessed on program conent and presentation. The measure tracks each language service, rather than averaging scores for the whole division. This example is for the Central Africa Service.

Measure Term: Annual

Year	Target	Actual
2002	3.4	3.4
2003	3.7	3.7
2004	3.7	
2005	3.7	
2006		

Measure: Cost Per Listener ($ dollars) - tracks cost per listener for each Africa language service. This data is for the English to Africa (Ghana) Service.

Additional Information: This measure tracks the cost per listener for each Africa language service. The example is for the English to Africa Service.

Measure Term: Annual (Efficiency Measure)

Year	Target	Actual
2002	$0.45	$0.45

Program: Broadcasting to Africa
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	86%	100%	59%	Effective

2003	$0.52	$1.15
2004	$0.94	
2005	$0.79	
2006		

Measure: Signal Strength Score (Range 0-4) - refers to the strenght of the AM and shortwave radio signals, whether programs can be heard by target audiences. This example is for the Horn of Africa.

Additional Information: This measure refers to the strength of the AM and shortwave radio signals, and whether the programs are capable of being heard by target audiences. The example is for the Horn of Africa.

Measure Term: Annual

Year	Target	Actual
2002	3.3	3.3
2003	3.9	3.9
2004	3.9	
2005	3.9	

Measure: Weekly audience reach for the Central Africa language services. (As a percentage of the total target population.)

Additional Information: This measure charts the weekly percent of the target audience tuning into Africa broadcasting in each country. The example is for Central Africa.

Measure Term: Annual

Year	Target	Actual
2002	25%	25%
2003	52%	52%
2004	52%	
2005	52%	

PART Performance Measurements

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	50%	Effective

1.1 Is the program purpose clear? Answer: Yes Question Weight 20%

Explanation: The program purpose is to promote and sustain freedom and democracy by broadcasting accurate and objective news and information about America and the world to audiences overseas (in this case, audiences in East Asia and Eurasia).

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter

1.2 Does the program address a specific and existing problem, interest or need? Answer: Yes Question Weight 20%

Explanation: The program is meant to address the need for accurate news and information about the United States and events in East Asia and Eurasia in languages spoken in those countries.

Evidence: The dearth of free, unbiased media and the existence of anti-American reporting in these regions creates a need for timely and accurate reporting of U.S. policies and actions as well as events in the regions and the world at large. Freedom House Press Freedom Ratings for East Asia countries is overwhelmingly "Not Free" while only Greece in Eurasia is rated "Free".

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: Yes Question Weight 20%

Explanation: The Broadcasting Board of Governors (BBG) is the independent Federal entity responsible for all U.S. government and government-sponsored, non-military international broadcasting. As such, its broadcasts are not duplicative of other Federal contributions to the problem being addressed in East Asia and Eurasia. In those countries that have broadcasting by both Voice of America (VOA) and Radio Free Europe/Radio Liberty (RFE/RL) or Radio Free Asia (RFA), the BBG ensures the missions are distinct, complementary and not duplicative.

Evidence: The U.S. International Broadcasting Act of 1994 and the Foreign Affairs Reform and Restructuring Act of 1998 state that U.S. international broadcasting should not duplicate the activities of private United States broadcasters or the activities of government-supported broadcasting entities of other democratic nations. The FY 2004 Program Plan provides details of reductions and streamlining of dual broadcasting within BBG.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: Yes Question Weight 20%

Explanation: There is no conclusive evidence that another approach would be more efficient/effective at achieving the program's goals. To further achieve its goals, in 2004 VOA announced a new structure which merges VOA and the former WORLDNET TV to create a focused, multimedia organization that will reach larger audiences with enhanced programming in the most effective media.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter; VOA and WORLDNET TV merger.

PART Performance Measurements

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	50%	Effective

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?**

Answer: Yes — Question Weight: 20%

Explanation: The BBG is the sole Federal entity that broadcasts to East Asia and Eurasia for the purpose of delivering accurate and objective news and information about the United States and the world. Where relevant, VOA and the surragate broadcasters (RFA, RFE/RL) "window" their broadcasts to reach the intended audience in the programming they are most interested. "Windowing" is a process by which programming from one broadcaster (i.e., RFA) is included in programming by another broadcaster (i.e., VOA). For example. VOA Albanian has large audience numbers, so to improve efficiency RFE/RL's direct radio broadcasts in Albanian to Kosovo will be cut and RFE/RL's programming will be included in VOA broadcasts. Annual Language Service and Program reviews continually refine the target audience and broadcast in the preferred medium, such as combatting anti-jamming efforts in China and Korea and improved internet capability.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter; East Asia and Eurasia Program Reviews and annual Language Service Reviews

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES — Question Weight: 13%

Explanation: BBG's East Asia and Eurasia performance plans include a long-term outcome measure that ties annual language service activities to the BBG's overall strategic goals. The primary long-term measure is to increase audience reach. Given that measuring the program's impact on sustaining freedom and democracy in East Asia or Eurasia is virtually impossible, audience reach is the most important and quantifiable measure of the program's success. This measure is a culmination of a number of annual common measures used across all of the VOA, RFA and RFE/RL language services, as well as individual annual action steps for each broadcasting area. The impact of annual activities should result in increased audience awareness across the program and an overall growth in audience size. BBG continues to explore additional or improved long-term measures or goals that address the quality and relevance of broadcasting.

Evidence: BBG Strategic Plan. East Asia and Eurasia individual performance plans.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?**

Answer: YES — Question Weight: 13%

Explanation: The target for the primary long-term performance measure of increasing audience reach is sufficiently ambitious given the large populations of the regions BBG is trying to reach and the closed nature of the societies. For East Asia, the FY 2008 target is to increase audience reach by 3% for the region overall. This region includes the world's largest population, with significant jamming of broadcasts coming from China and North Korea. For Eurasia, BBG's FY 2008 target is to increase audience reach by 2% for the region overall. The baseline for these targets is the overall regional FY 2003 audience reach level. The related annual goals and action steps will track the progress toward achieving this long-term goal.

Evidence: East Asia and Eurasia performance plans; Language Service Review; Program Review

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 13%

Explanation: The BBG's East Asia and Eurasia broadcasts have annual performance measures that support the long-term goal. There are 5 common measures for the program: 1) percent of weekly audience, 2) percent of audience awarenss, 3) program quality rating, 4) signal strength rating, and 5) cost per listener. The last common measure - cost per listener - is an efficiency measure. BBG is also developing measures to assess the impact of new delivery medium, including the internet. Each language service or area also has, or is developing, individual annual action steps with milestones tailored to the nature of the broadcasting and target population. These contribute to achieving the annual and long-term goals.

Evidence: East Asia and Eurasia performance plans; Language Service Review; Program Review

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 13%

Explanation: The common measures have separate baselines and annual targets for each broadcasting area, and in many cases for VOA and the grantees separately. BBG established these separate targets so that language service managers could easily track performance for each country or region they broadcast to, helping them identify areas that need improvement. Some of the measures for 2005 have targets that are lower than previous years. The research methodology for several of the measures has been adjusted in the past year and while this has yielded much more specific data on which to base future targets, in some cases it has resulted in the targets for future years being revised downward. However, the targets for BBG's priority language services remain ambitious.

Evidence: Program individual performance plans; Language Service Review; Program Review

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 13%

Explanation: As grantees of BBG, RFA and RFE/RL contributed to establishing the new Strategic Plan and committed to the FY 2006 performance plans for East Asia and Eurasia, including the annual action steps for broadcasting that support the overall BBG long-term goals in the program.

Evidence: East Asia and Eurasia performance plans; Annual Language Service Reviews; Program Reviews; BBG Annual Performance Plans and Reports.

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	50%	Effective

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight: 13%

Explanation: BBG's annual Language Service Reviews and Program Reviews conducted by the BBG's Office of Program Review (OPR) serve this purpose. OPR operates independently from all BBG language services. Annual reviews of VOA language services include an initial assessment with regularly scheduled follow-up meetings to check the progress on recommendations generated by the review. The reviews assess radio content, engineering and transmission, marketing efforts, internet development, and production value. BBG contracts with InterMedia, an independent firm that conducts annual surveys for each language service and program,including VOA, RFA and RFE/RL. InterMedia evaluates a variety of factors: market profile, media access and use, and international broadcasting impact and trends. InterMedia also profiles audience listening habits.

Evidence: The annual Language Service Review assesses two basic issues: (1) where should BBG broadcast and (2) how well is BBG broadcasting. The Program Reviews are annaul uality-control mechanisms based on field research and external analyses of program content and presentation. FY 2004 Program Review Schedules.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight: 13%

Explanation: To date, BBG has not uniformly linked budget requests to its strategic goals or performance goals for its programs. In FY 2006, the BBG plans to include annual performance plans with performance measures for East Asia and Eurasia in the budget request. BBG is also revising its capital planning process. In FY 2005, most budget enhancement requests were accompanied by performance goals. In the FY 2006 budget submission, BBG will ensure that all budget enhancement requests for the Agency will be performance based with measures, goals and annual targets. The BBG intends to build upon this progress with fully integrated performance-based budgets in the future.

Evidence: FY 2005 Budget Request; language Service Review; Program Review; FY 2005 BBG Budget Request

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: BBG continues to use the individual language service or broadcast area performance plan template, including broadcasting to East Asia and Eurasia. The performance plans are based on the BBG strategic plan, and they attempt to tie individual program goals to the strategic goals of the agency. The annual Language Service Review is used to identify and update strategic broadcasting priorities. BBG also continues to review and revise the current agency strategic plan to build on the innovative new approach to international broadcasting, "Marrying the Mission to the Market." A newly reported common measure of Audience Awareness will further strengthen the goal of reaching the audience and gauging the effectiveness of marketing, branding and affiliations.

Evidence: BBG Strategic Plan, East Asia and Eurasia Performance Plans, FY 2003 Language Service Review

PART Performance Measurements

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES Question Weight: 17%

Explanation: Using performance data gathered through its annual Language Service Review and Program Reviews, the BBG examines the results to adjust resources and set strategic priorities. Program Reviews also include content and production analysis to assist managers in improving performance. These same data are included in the Performance Plans.

Evidence: Language Service Review, Program Review, East Asia and Eurasia Performance Plans.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 17%

Explanation: Senior managers' "Line of Sight" performance appraisal system requires critical elements and ratings that are tied to the objectives of the BBG. The annual Language Service Review holds managers and partners directly accountable for results by the corresponding resource allocations, including the grantees broadcasting to East Asia and Eurasia. Contractors are accountable to the same program standards. The Program Review process also measures the quality of their work. The grantees must report the same common measures. Many contractors work on a "pay-for-product" basis, with payment dependent upon the timely receipt of quality products. For example, many "stringers" receive payment for each quality news story they deliver.

Evidence: "Line of Sight" Performance Standards/Appraisals; Manual of Operations and Administration, Sec. 490 - Performance Appraisal System; Language Service Review

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 17%

Explanation: All requisitions must include verification that funds are available, and the funds are obligated when a contract or agreement is signed or a purchase order is done. The mid-year and 3rd quarter review provides an opportunity for managers to verify that unliquidated obligations are valid and that once an obligation has been fully expended, remaining balances are deobligated. Financial transactions are coded to both an organization and to a function or project. Given that BBG has a high percentage of fixed costs (salaries, transmission and infrastructure expenses, rent, etc.), funds must be obligated in a timely manner in order to continue operations. The BBG requires an annual financial plan and monthly status reports from its grantees. The financial plans must detail anticipated costs for specific line items by each month of the fiscal year. BBG conducts a mid-year, 3rd quarter, and year-end review of each grantee's financial plans and budgets to monitor funding and expenditures. BBG also requires a monthly status report of expenditures, disbursements and obligations as well as the submission of the SF-169, Financial Status Report and SF-172, Report of Federal Cash Transactions.

Evidence: The reviews and the allotment control procedures enable the Agency to track obligations to ensure that funds are used for the intended purpose by the appropriate Agency office. SF-169, Financial Status Report and SF-172, Report of Federal Cash Transactions. Montly status reports from RFE/RL and RFA on expenditures, disbursements, obligations.

PART Performance Measurements

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES — Question Weight: 17%

Explanation: The annual Language Service Review process includes an efficiency measure -- cost per listener. The Program Review process also assesses the efficiency and productivity of each language service. The merger of VOA and WORLDNET TV will improve efficiency through utilization of multimedia resources to effectively reach the audience in the preferred media. BBG recently reorganized its various IT components into one structure to avoid duplication of effort and centralize efficiencies.

Evidence: East Asia and Eurasia Performance Plans; Language Service Reviews; Program Review ; VOA and WORLDNET merger; IT restructuring

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: NA — Question Weight: 0%

Explanation: BBG is solely responsible for all non-military, U.S. international broadcasting. It is the only entity with the express objective of promoting freedom and democracy through broadcasting objective news and information about the U.S. and the world to audiences in Eurasia and East Asia. There are no related programs that share similar goals and objectives with which the BBG can collaborate. Within the BBG, VOA, RFE/RL and RFA collaborate on program content and the BBG has worked to reduce the duplication.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter

3.6 **Does the program use strong financial management practices?**

Answer: YES — Question Weight: 17%

Explanation: The BBG is cross-serviced by the State Department to provide financial services using the BFMS system. Internal controls are in place to minimize erroneous payments. The BBG Administrative Officers obligate financial transactions, and the State Department processes the payments, thus ensuring checks and balances on BBG accounts.

Evidence: BFMS System. The State Department has received clean audit opinions.

3.7 **Has the program taken meaningful steps to address its management deficiencies?**

Answer: YES — Question Weight: 17%

Explanation: The Office of Program Review conducts an independent analysis of program content and presentation, which includes the management of the program. The Action Plans resulting from the Program Reviews lay out specific and meaningful steps to correct deficiencies when they are identified. The Office of Program Review regularly follows up with managers to track progress. The grantees follow a similar process and report the common measures to the BBG. The senior managers' "Line of Sight" performance appraisal system requires critical elements and ratings based on the mission and is tied to the objectives of the BBG.

Evidence: Program Reviews; BBG Manual of Operations and Administration "Line of Sight" Performance Appraisal System, Section 490

PART Performance Measurements

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight25%

Explanation: The data for East Asian audience reach is unavailable for a number of language services, due in large part because it is difficult to survey listeners and gather accurate data in closed socieities. For this reason, it is difficult to track progress in this region. Those that can be tracked have had small increases in audience reach over the past several years, and indications are that this will continue. Nearly all of the language services in Eurasia show modest increases annually in audience reach, indicating that they are making progress toward reaching the long-term target of increasing by 2% across the region.

Evidence: Language Service Review, Progam Review, East Asia and Eurasia Performanc Plans

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight25%

Explanation: This is the first year the BBG has provided targets for the common measures for the Eurasia and East Asia language services. For many of the measures, BBG anticipates the level to decrease from FY 2003 to FY 2004, with slight increases the following years. This is due primarily to adjustments to the research methodology that yield more accurate data, resulting in some downward revisions in targets. BBG anticipates maintaining the current levels for many of its lower priority language services, while aiming for improvements in high priority broadcasting areas. Anecdotal evidence also indicates that there has been improvement in broadcasts quality, content, and listener response.

Evidence: East Asia and Eurasia Performance Plans, Program Reviews, Language Service Reviews.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight25%

Explanation: The BBG has a common measure for all language services, cost-per-listener, that tracks the cost effectiveness of broadcasting. Since the weekly audience listening rate is not available for many of the language services in Eurasia and East Asia, BBG cannot track the cost-per-listener of all language services. Those with data indicate that the cost-per-listener, particularly in East Asia, has decreased significantly in the past several years. For most language services the cost-per-listener in future years is anticipated to decrease further. However, the agency anticipates increases in some of its largest services (including Mandarin and Belarusian) in FY 2004, with costs decreasing again in FY 2005 as the number of listeners increases and BBG achieves more efficiencies. RFE/RL's Ukrainian will have an increased cost-per-listener in FY 2005 because the Ukrainian government removed RFE/RL from the only national FM network, decreasing the audience reach. BBG has achieved efficiencies through reducing duplicate broadcasting and integrating content generated from one broadcaster (e.g. RFE/RL) into the programming of another (e.g. VOA).

Evidence: East Asia and Eurasia Performance Plans, Program Reviews, Language Service Reviews.

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA — Question Weight: 0%

Explanation: BBG is solely responsible for all non-military, U.S. international broadcasting. It is the only entity with the express objective of promoting freedom and democracy through broadcasting objective news and information about the U.S. and the world to audiences in Eurasia and East Asia. There are no related programs that share similar goals and objectives with which to compare BBG's performance.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: LARGE EXTENT — Question Weight25%

Explanation: Annual reviews indicate that BBG broadcasting to East Asia and Eurasia is essential to bring news and information about the U.S. and the world to these repressed regions. The major challenges are reaching the target audience in light of many restrictions placed by governments while also transitioning to the preferred delivery means and format in the diverse media market. This is reflected in the wide range of weekly audience reach and awareness, from less than 1% audience reach, primarily because of jamming, in China to over 50% awareness in all languages in Eurasia. BBG language services in East Asia and Eurasia have achieved results by utilizing the results of research and program review evaluations to improve their effectiveness. The Indonesia Service started with only a 0.5% audience share in 1999 and doubled its audience to 1% by 2000. By building the network of its affiliates in Indonesia to more than 160, and diversifying its programming mix to include television, the service has seen its audience continue to grow ' in 2001 to 2%, in 2002 to 4% and in 2003 to 6.1%. It now attracts more than 8 million regular listeners and viewers. Throughout East Asia and Eurasia, prominent leaders and media experts publicly comment on the high standards, professionalism and improvement in BBG broadcasting. Surveyed listeners point to the modern production, updating of relevant news, and range of subjects as valuable outcomes of ongoing broadcast evaluations.

Evidence: Program Review schedules, results and action plans; Language Service Review analysis and results. InterMedia research, including surveys, monitoring panels and listener panels; expert and government officials public comment or evaluation.

PART Performance Measurements

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

Measure: Audience Reach. This measure tracks BBG's performance in increasing its audience reach across East Asia (in millions).

Additional Information: This measure tracks BBG's performance in increasing its audience reach across East Asia (in millions).

Measure Term: Long-term

Year	Target	Actual
2003	Baseline	21.7
2008	22.4	

Measure: Signal Strength Score.

Additional Information: This measure refers to the strength of the AM and shortwave radio signals, and whether the programs are capable of being heard by target audiences. The example is for VOA's Russian service.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	3.3
2003		3.4
2004		3.4
2005	3.4	
2006	3.4	

Measure: Signal Strength Score.

Additional Information: This measure refers to the strength of the AM and shortwave radio signals, and whether the programs are capable of being heard by target audiences. The example is for VOA's Mandarin service.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	2.1
2003		2.1
2004		2.2

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

Type(s): Direct Federal

2005	2.2
2006	2.2

Measure: Cost-per-listener.

Additional Information: This measure tracks the cost per listener for each language service. The example is for RFA's Khmer broadcasting to Cambodia.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	$7.43
2003		$14.40
2004		$5.14
2005	$3.42	

Measure: Cost-per-listener.

Additional Information: This measure tracks the cost per listener for each language service. The example is for RFE/RL's broadcasting to the Ukraine

Measure Term: Annual

Year	Target	Actual
2002	Baseline	$1.23
2003		$1.22
2004		$0.80
2005	$1.23	

PART Performance Measurements

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

Measure: Audience Reach. (%)

Additional Information: This measure tracks BBG's performance in increasing its audience reach across Eurasia. The baseline is the number of people being reached.

Measure Term: Long-term

Year	Target	Actual
2003	Baseline	21million
2008	+2%	

Measure: Weekly Audience. (%)

Additional Information: This measure charts the weekly percent of the target audience tuning into broadcasting in each country. The example is for VOA's Mandarin service.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	0.5
2003		0.3
2004		0.3
2005	0.4	
2006	0.5	

Measure: Weekly Audience. This measure charts the weekly percent of the target audience tuning into broadcasting in each country. This data is for RFE/RL's Russian service.

Additional Information: This measure charts the weekly percent of the target audience tuning into broadcasting in each country. This data is for RFE/RL's Russian service.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	1.4
2003		5.6
2004		3.8

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

Type(s): Direct Federal

2005	5.0
2006	5.5

Measure: Weekly Audience. (%)

Additional Information: This measure charts the weekly percent of the target audience tuning into broadcasting in each country. The example is for VOA's Russian radio service.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	1.4
2003		1.8
2004		2.0
2005	2.0	
2006	2.2	

Measure: Audience Awareness. This measure charts the percentage of the population that can recognize BBG station names. This data is for Voice of America's Mandarin service.

Additional Information: This measure charts the percentage of the population that can recognize BBG station names. This data is for Voice of America's Mandarin service.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	2.0
2004		6.0
2005	7.0	
2006	8.0	

PART Performance Measurements

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

Type(s): Direct Federal

Measure: Audience Awareness. (%)

Additional Information: This measure charts the percentage of the population that can recognize BBG station names. This example is for RFE/RL's Russian service.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	62.0
2003		65.0
2004		58.0
2005	65.0	
2006	70.0	

Measure: Program Quality Score.

Additional Information: This measure charts scores (1 to 4) for language services assessed on program conent and presentation. The measure tracks each language service, rather than averaging scores for the whole division. This example is for RFE/RL's Ukrainian service.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	3.1
2003		3.3
2004		3.3
2005	3.4	
2006	3.4	

Measure: Program Quality Score.

Additional Information: This measure charts scores (1 to 4) for language services assessed on program conent and presentation. The measure tracks each language service, rather than averaging scores for the whole division. This example is for VOA's Indonesian service.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	3.0

PART Performance Measurements

Program: Broadcasting to East Asia & Eurasia
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

2003		3.1
2004		3.0
2005	3.1	
2006	3.1	

PART Performance Measurements

Program: Broadcasting to Near East Asia and South Asia

Agency: Broadcasting Board of Governors

Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	67%	

1.1 Is the program purpose clear? Answer: YES Question Weight20%

Explanation: The program purpose is to promote and sustain freedom and democracy by broadcasting accurate and objective news and information about America and the world to audiences overseas (in this case, audiences in Near East and South Asia).

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight20%

Explanation: The program is meant to address the need for accurate news and information about the United States and events in Near East and South Asia in languages spoken in those countries.

Evidence: The dearth of free, unbiased media and the existence of anti-American reporting in these regions creates a need for timely and accurate reporting of U.S. policies and actions as well as events in the regions and the world at large. Freedom House Press Freedom Ratings for Near East and South Asia countries is overwhelmingly "Not Free".

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight20%

Explanation: The Broadcasting Board of Governors (BBG) is the independent Federal entity responsible for all U.S. government and government-sponsored, non-military international broadcasting. As such, its broadcasts are not duplicative of other Federal contributions to the problem being addressed in Near East and South Asia. In those countries that have broadcasting by VOA, RFE/RL, and the Middle East Television Network the BBG ensures the missions are distinct, complementary and not duplicative. For example, in FY 2004 the BBG is phasing out RFE/RL's Radio Free Iraq broadcasting. In 2004, BBG merged all of its Arabic radio and television broadcasting under a new grantee, the Middle East Television Network (MTN). VOA and RFE/RL contribute their individual programming to Radio Farda (Persian) to create one streamlined broadcast.

Evidence: The U.S. International Broadcasting Act of 1994 and the Foreign Affairs Reform and Restructuring Act of 1998 state that U.S. international broadcasting should not duplicate the activities of private United States broadcasters or the activities of government-supported broadcasting entities of other democratic nations. The FY 2004 Program Plan provides details of reductions and streamlining of dual broadcasting.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight20%

Explanation: There is no conclusive evidence that another approach would be more efficient/effective at achieving the program's goals. To further achieve its goals, in 2004 VOA announced a new structure which merges VOA and the former WORLDNET TV to create a focused, multimedia organization that will reach larger audiences with enhanced programming in the most effective media. BBG's Arabic broadcasting was merged under the new grantee, MTN, to combine staff resources and ensure that U.S. Arabic broadcasting is coordinated.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter; VOA and WORLDNET merger.

PART Performance Measurements

Program: Broadcasting to Near East Asia and South Asia

Agency: Broadcasting Board of Governors

Bureau:

Type(s): Direct Federal

Section Scores				**Rating**
1	2	3	4	Moderately Effective
100%	88%	100%	67%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: The BBG is the sole Federal entity that broadcasts to Near East and South Asia for the purpose of delivering accurate and objective news and information about the United States and the world. Annual Language Service and Program reviews continually refine the target audience and broadcast in the preferred medium. The lack of unbiased news and information on television broadcasts in the Near East resulted in BBG's creation of Alhurra in February 2004 under the Middle East Television Network (MTN). Alhurra is a 24-hour Arabic satellite television network broadcasting news and information to the region. Radio Sawa (Arabic) and Radio Farda (Persian) specifically target the 15-30 age group. Programming is based on continuous research into the listening preferences of this age group, with news, information and music combined to draw audiences and communicate news about the region and world.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter; Near East and South Asia Program Reviews and annual Language Service Reviews

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 13%

Explanation: BBG's Near East and South Asia performance plans include a long-term outcome measure that ties annual language service activities to the BBG's overall strategic goals. The primary long-term measure is to increase audience reach. Given that measuring the program's impact on sustaining freedom and democracy in the region is virtually impossible, audience reach is the most important and quantifiable measure of the program's success. This measure is a culmination of a number of annual common measures used across all of the VOA and RFE/RL language services, as well as individual annual action steps for each broadcasting area. The impact of annual activities should result in increased audience awareness across the program and an overall growth in audience size. BBG continues to explore additional or improved long-term measures or goals that address the quality and relevance of broadcasting. BBG is also drafting a performance plan for the brand new Middle East Television Network, and will incorporate the Radio Sawa performance plan.

Evidence: BBG Strategic Plan. Near East and South Asia individual performance plans.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 13%

Explanation: BBG has set a long term target for the primary long-term performance measure of increasing audience reach for each of its language services in this region. The baseline for each is the FY 2002 level, and the targets are aggressive and ambitious. For example, the BBG launched a new Arabic satellite television service in February 2004, Alhurra, and have set the very ambitious goal of an audience reach of 21 million viewers in five years. The five-year target for audience reach for Radio Sawa (Arabic) is to increase from 3.8 million listeners per week to 21 million. The other language services have similarly ambitious targets. The related annual goals and action steps will track the progress toward achieving the long-term goal for each language service.

Evidence: Near East and South Asia performance plans; Language Service Review; Program Review

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				**Rating**
1	2	3	4	Moderately Effective
100%	88%	100%	67%	

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?**

Answer: YES

Question Weight:13%

Explanation: The BBG's Near East and South Asia broadcasts have annual performance measures that support the long-term goal of increasing audience reach. There are 5 common measures for the program: 1) percent of weekly audience, 2) percent of audience awarenss, 3) program quality rating, 4) signal strength rating, and 5) cost per listener. The last common measure - cost per listener - is an efficiency measure. Each language service or area also has, or is developing, individual annual action steps with milestones tailored to the nature of the broadcasting and target population. These contribute to achieving the annual and long-term goals.

Evidence: Near East and South Asia performance plans; Language Service Review; Program Review

2.4 **Does the program have baselines and ambitious targets for its annual measures?**

Answer: YES

Question Weight:13%

Explanation: The common measures have separate baselines and annual targets for each broadcasting area, and in many cases for VOA and the grantees separately. BBG established these separate targets so that language service managers could easily track performance for each country or region they broadcast to, helping them identify areas that need improvement. The baseline for the common measures is the FY 2002 level.

Evidence: Program individual performance plans; Language Service Review; Program Review

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: YES

Question Weight:13%

Explanation: As a grantee of BBG, RFE/RL contributed to establishing the new Strategic Plan and committed to the FY 2006 performance plans for Near East and South Asia, including the annual action steps for its broadcasting that support the overall BBG long-term goals in the program. Additionally, BBG is working with its new grantee, MTN, to create an MTN performance plan and integrate the Radio Sawa performance plan as part of the merger of Arabic broadcasting entities.

Evidence: Near East and South Asia performance plans; Annual Language Service Reviews; Program Reviews; BBG Annual Performance Plans and Reports.

Program: Broadcasting to Near East Asia and South Asia

Agency: Broadcasting Board of Governors

Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	67%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight: 13%

Explanation: BBG's annual Language Service Reviews and Program Reviews conducted by the BBG's Office of Program Review (OPR) serve this purpose. OPR operates independently from all BBG language services. Annual reviews of VOA language services include an initial assessment with regularly scheduled follow-up meetings to check the progress on recommendations generated by the review. The reviews assess radio content, engineering and transmission, marketing efforts, internet development, and production value. BBG contracts with InterMedia, an independent firm that conducts annual surveys for each language service and program,including VOA, RFE/RL and the Middle East Television Network. InterMedia evaluates a variety of factors: market profile, media access and use, and international broadcasting impact and trends. InterMedia also profiles audience listening habits.

Evidence: The annual Language Service Review assesses two basic issues: (1) where should BBG broadcast and (2) how well is BBG broadcasting. The Program Reviews are annaul uality-control mechanisms based on field research and external analyses of program content and presentation. Program Review Schedules.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight: 13%

Explanation: In FY 2006, the BBG plans to include annual performance plans with performance measures for Near East and South Asia in the budget request. As in FY 2005, all budget enhancement requests for the Agency will be performance based with measures, goals and annual targets. The BBG intends to build upon this progress with fully integrated performance-based budgets in the future.

Evidence: FY 2005 Budget Request; language Service Review; Program Review; FY 2006 BBG Budget Request

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: BBG continues to use the individual language service or broadcast area performance plan template, including broadcasting to Near East and South Asia. BBG is working with the newly created Middle East Television Network to develop a performance plan for Alhurra and incorporate existing plans for Radio Sawa. A newly reported common measure of Audience Awareness will further strengthen the goal of reaching the audience and gauging the effectiveness of marketing, branding and affiliations. The performance plans are based on the BBG strategic plan, and they attempt to tie individual program goals to the strategic goals of the agency. BBG also continues to review and revise the current agency strategic plan to build on the innovative new approach to international broadcasting, "Marrying the Mission to the Market."

Evidence: BBG Strategic Plan, Near East and South Asia Performance Plans

PART Performance Measurements

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	67%	

Type(s): Direct Federal

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES Question Weight: 17%

Explanation: Using performance data gathered through its annual Language Service Reviews and Program Reviews, the BBG examines the results to adjust resources and set strategic priorities. Program Reviews also include content and production analysis to assist managers in improving performance. These same data are included in the Performance Plans.

Evidence: Language Service Review, Program Review, Near East and South Asia Performance Plans.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 17%

Explanation: Senior managers' "Line of Sight" performance appraisal system requires critical elements and ratings that are tied to the objectives of the BBG. The annual Language Service Review holds managers and partners directly accountable for results by the corresponding resource allocations, including the grantees broadcasting to Near East and South Asia. Contractors are accountable to the same program standards. The Program Review process also measures the quality of their work. The grantees must report the same common measures. Many contractors work on a "pay-for-product" basis, with payment dependent upon the timely receipt of quality products. For example, many "stringers" receive payment for each quality news story they deliver.

Evidence: "Line of Sight" Performance Standards/Appraisals; Manual of Operations and Administration, Sec. 490 - Performance Appraisal System; Language Service Review

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 17%

Explanation: All requisitions must include verification that funds are available, and the funds are obligated when a contract or agreement is signed or a purchase order is done. The mid-year and 3rd quarter review provides an opportunity for managers to verify that unliquidated obligations are valid and that once an obligation has been fully expended, remaining balances are deobligated. Financial transactions are coded to both an organization and to a function or project. Given that BBG has a high percentage of fixed costs (salaries, transmission and infrastructure expenses, rent, etc.), funds must be obligated in a timely manner in order to continue operations. The BBG requires an annual financial plan and monthly status reports from its grantees. The financial plans must detail anticipated costs for specific line items by each month of the fiscal year. BBG conducts a mid-year, 3rd quarter, and year-end review of each grantee's financial plans and budgets to monitor funding and expenditures. BBG also requires a monthly status report of expenditures, disbursements and obligations as well as the submission of the SF-169, Financial Status Report and SF-172, Report of Federal Cash Transactions.

Evidence: The reviews and the allotment control procedures enable the Agency to track obligations to ensure that funds are used for the intended purpose by the appropriate Agency office. SF-169, Financial Status Report and SF-172, Report of Federal Cash Transactions. Montly status reports from RFE/RL and MTN on expenditures, disbursements, obligations. Emergency Response Fund monthly reports.

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:
Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	67%	

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES Question Weight:17%

Explanation: The annual Language Service Review process includes an efficiency measure -- cost per listener. The Program Review process also assesses the efficiency and productivy of each language service. The merger of VOA and WORLDNET TV will improve efficiency through utilization of multimedia resources to effectively reach the audience in the preferred media. BBG recently reorganized its various IT components into one structure to avoid duplication of effort and centralized efficiencies.

Evidence: East Asia and Eurasia Performance Plans; Language Service Reviews; Program Review ; VOA and WORLDNET merger; IT restructuring

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: NA Question Weight: 0%

Explanation: BBG is solely responsible for all non-military, U.S. international broadcasting. It is the only entity with the express objective of promoting freedom and democracy through broadcasting objective news and information about the U.S. and the world to audiences in Near East and South Asia. There are no related programs that share similar goals and objectives with which the BBG can collaborate. Within the BBG, VOA, RFE/RL and the Middle East Television Network collaborate on program content and the BBG has worked to reduce the duplication.

Evidence: U.S. International Broadcasting Act of 1994; Foreign Affairs Reform and Restructuring Act of 1998; Voice of America Charter

3.6 **Does the program use strong financial management practices?**

Answer: YES Question Weight:17%

Explanation: The BBG is cross-serviced by the State Department to provide financial services using the BFMS system. Internal controls are in place to minimize erroneous payments. The BBG Administrative Officers obligate financial transactions, and the State Department processes the payments, thus ensuring checks and balances on BBG accounts.

Evidence: BFMS System. The State Department has received clean audit opinions.

3.7 **Has the program taken meaningful steps to address its management deficiencies?**

Answer: YES Question Weight:17%

Explanation: The Office of Program Review conducts an independent analysis of program content and presentation, which includes the management of the program. The Action Plans resulting from the Program Reviews lay out specific and meaningful steps to correct deficiencies when they are identified. The Office of Program Review regularly follows up with managers to track progress. The grantees follow a similar process and report the common measures to the BBG. The senior managers' "Line of Sight" performance appraisal system requires critical elements and ratings based on the mission and is tied to the objectives of the BBG.

Evidence: Program Reviews; BBG Manual of Operations and Administration "Line of Sight" Performance Appraisal System, Section 490

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	67%	Effective

Type(s): Direct Federal

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?
Answer: LARGE EXTENT Question Weight25%

Explanation: The BBG has achieved strong results and is on track to reach it's long term goal for each language service. In 2004 a few language services experienced a slight decrease in the number of listeners per week, but demonstrated strong increases in its priority language services. Broadcasting to Afghanistan, Iran, and the Caucusus all experienced increases in audience reach. The biggest achievements were in Arabic broadcasting, both radio and television. Radio Sawa (Arabic) far outpaced its annual audience targets, increasing from 3.1 million weekly listeners in 2002 to 10.7 million in 2003, and 14.3 million in 2004. Radio sawa is on track to reach 21 million listeners by 2008. In February 2004 the BBG launched an Arabic satellite television network, Alhurra, which reached a weekly audience of 8.5 million viewers in 2004.

Evidence: Language Service Review, Progam Review, Near East and South Asia Performanc Plans

4.2 Does the program (including program partners) achieve its annual performance goals?
Answer: LARGE EXTENT Question Weight25%

Explanation: In 2003, BBG's Arabic broadcaster Radio Sawa far exceeded its weekly audience target of 5.1 million listeners, with a weekly listening rate of 10.5 million people. Broadcasting to Iran also made large gains in 2003, reaching 13% of the population (doubling the original target of 6.5%). BBG's new pan-Arabic satellite television network, Alhurra, has shown immediate results, and is estimated to garner a weekly audience of 8.5 million viewers by the end of FY 2004. The BBG has had less success in its smaller language services broadcasting to Bangladesh and India, with its estimated targets for 2004 decreasing. Several language services also suffered a decline in audience awareness in 2003, but BBG aims to increase awareness in 2004 and 2005. Generally, since 2002 the Near East and South Asia language services have been improving in the most important measure, weekly audience reach.

Evidence: Near East and South Asia Performance Plans, Program Reviews, Language Service Reviews.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?
Answer: LARGE EXTENT Question Weight25%

Explanation: The BBG has a common measure for all language services, cost-per-listener, that tracks the cost effectiveness of broadcasting. Since the weekly audience listening rate is not available for all language services in the Near East & South Asia, BBG cannot track the cost-per-listener of all language services. Those with data indicate that the cost-per-listener is fluctuating due to varying listening rates from year to year. However, most language services with cost-per-listener data indicate the costs decreased in FY 2003 from the previous year.

Evidence: Near East and South Asia Performance Plans, Program Reviews, Language Service Reviews.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?
Answer: NA Question Weight: 0%

Explanation: BBG is solely responsible for all non-military, U.S. international broadcasting. It is the only entity with the express objective of promoting freedom and democracy through broadcasting objective news and information about the U.S. and the world to audiences in Near East and South Asia. There are no related programs that share similar goals and objectives with which to compare BBG's performance.

Evidence:

Program: Broadcasting to Near East Asia and South Asia

Agency: Broadcasting Board of Governors

Bureau:

Type(s): Direct Federal

Section Scores				**Rating**
1	2	3	4	Moderately Effective
100%	88%	100%	67%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: LARGE EXTENT

Question Weight 25%

Explanation: Annual Program Reviews and Language Service Reviews indicate that BBG's broadcasting to Near East and South Asia is improving, with audience reach to Arabic-speaking populations increasing dramatically in the past two years. InterMedia and AC Nielsen have also conducted independent surveys that indicate BBG's Radio Sawa is one of the most popular international broadcasters in the region. The weekly audience reach in 2003, which measures the percent of target audience tuning in, ranges from a low of 1.1% in Bangladesh to a high of 49% in Afghanistan, indicating a wide range of impact on the target populations.

Evidence: Program Review schedules, results and action plans; Language Service Review analysis and results.

PART Performance Measurements

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	67%	

Measure: Audience Reach. (%)

Additional Information: This measure tracks BBG's performance in increasing its audience reach to Afghanistan.

Measure Term: Long-term

Year	Target	Actual
2002	0.44	0.44
2003	0.49	0.49
2004	0.56	0.54
2005	0.56	
2006	58%	
2008	70%	

Measure: Audience reach. (millions of viewers)

Additional Information: This measure tracks BBG's performance in increasing its audience reach to Arabic-speaking populations through the Alhurra satellite television network.

Measure Term: Long-term

Year	Target	Actual
2004	Baseline	8.5million
2005	12.8million	
2006	20million	
2008	21million	

PART Performance Measurements

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	67%	Effective

Measure: Audience reach for broadcasting to Iran (as a percentage of the total targeet population)

Additional Information: This measure tracks BBG's performance in increasing its audience reach to Iran.

Measure Term: Long-term

Year	Target	Actual
2002	4.0%	4.0%
2003	6.5%	0.13
2004	13.0%	15.2%
2005	18.0%	
2006	20.0%	
2008	20.0%	

Measure: Audience reach for Radio Sawa (in millions)

Additional Information: This measure tracks BBG's performance in increasing its audience reach to Arabic-speaking populations through Radio Sawa.

Measure Term: Long-term

Year	Target	Actual
2002	3.9	3.1
2003	5.1	10.7
2004	10.7	14.3
2005	18	
2006	20	
2008	21	

PART Performance Measurements

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:

Type(s): Direct Federal

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	67%	

Measure: Weekly audience. (%)

Additional Information: This measure charts the weekly percent of the target audience tuning into broadcasting in each country. The example is for Bangladesh.

Measure Term: Annual

Year	Target	Actual
2002	0.06	0.093
2003	0.06	0.068
2004	0.067	0.067
2005	0.07	
2006	0.075	

Measure: Program quality score (Range 0-4) - scores are determined through assessments of program content and presentation for each language service. This data is for the Afghanishan Radio Network.

Additional Information: This measure charts scores (1 to 4) for language services assessed on program conent and presentation. The measure tracks each language service, rather than averaging scores for the whole division. This example is for the Afghanistan Radio Network.

Measure Term: Annual

Year	Target	Actual
2002	3.5	3.5
2003	3.6	3.6
2004	3.8	3.8
2005	3.9	
2006	3.9	

PART Performance Measurements

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	67%	Effective

Type(s): Direct Federal

Measure: Signal strength score.

Additional Information: This measure refers to the strength of the AM and shortwave radio signals, and whether the programs are capable of being heard by target audiences. The example is for broadcasting to Iran.

Measure Term: Annual

Year	Target	Actual
2002	3.3	2.6
2003	3.7	3.3
2004	4.0	3.4
2005	3.4	
2006	3.4	

Measure: Cost-per-listener.

Additional Information: This measure tracks the cost per listener for each language service. The example is for Urdu to Pakistan.

Measure Term: Annual

Year	Target	Actual
2002	$1.12	$1.12
2003	$1.06	$0.88
2004	$1.36	$0.80
2005	$0.72	

Measure: Audience Awareness. (%)

Additional Information: This measure charts the percentage of the population that can recognize BBG station names. The example is for broadcasting Urdu to Pakistan.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	0.2
2003		0.13

Program: Broadcasting to Near East Asia and South Asia
Agency: Broadcasting Board of Governors
Bureau:

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	67%	

Type(s): Direct Federal

Year	Target	Actual
2004		0.19
2005	0.23	
2006	0.25	

Measure: Audience Awareness. (%)

Additional Information: This measure charts the percentage of the population that can recognize BBG station names. The example is for broadcasting Hindi to India.

Measure Term: Annual

Year	Target	Actual
2002	Baseline	0.08
2003		0.04
2004		0.09
2005	0.1	
2006	0.11	

PART Performance Measurements

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The program has a focused and well-defined mission, though the level of analysis used is based on the Latin America and Caribbean (LAC) Region, not the country level. At times, information is given for progress at the country level when information is not available at the regional level. The Child Survival and Health (CSH) account funds activities in support of immunization, oral re-hydration, health, nutrition, water and sanitation, displaced and orphaned children, prevention, treatment and control of, HIV/AIDS, TB, malaria, polio, as well as family planning/reproductive health. LAC has 16 field operating units (OUs) in three sub-regions, three field-managed sub-regional programs and two Washington-managed programs; 16 of these 21 OUs support CSH-funded health programs. The CSH programs in LAC are linked to U.S. foreign policy priorities to advance sustainable development by improving human health and reducing the spread of infectious diseases in the Hemisphere; helping people realize their reproductive intentions; and addressing the HIV/AIDS epidemic. LAC/CSH programs contribute to and fully support USAID goals. The CBJ and the Assistant Administrator cite improving health as an "excellent development investment" and have identified LAC priority health areas as maternal health, child survival and reproductive health, HIV/AIDS, and infectious diseases.

Evidence: 1) Secretary of State Statement in Bureau Performance Plan (BPP). 2) State-USAID Strategic Plan for FY 2004-2009. 3) USAID Administrator Natsios testimony to HACFO, April 9, 2003. 4) Assistant Administrator (AA) Franco testimony to SACFO, April 2, 2003. 5) AA Franco testimony to the House Committee on International Relations, February 27, 2003. 6) Congressional Budget Justification (CBJ) Overview.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: The program addresses a specific need and specific problems within the region. For example, the development challenges in the LAC region which are addressed under the CSH account include increased prevalence of HIV/AIDS, especially in the Caribbean, high infant/child mortality rates among disadvantaged population, pockets of low vaccination coverage, drug-resistant tuberculosis and limited access to quality family planning and reproductive health services. These challenges are validated through statistics from other development agencies including the World Bank and the UN Economic Commission for Latin America and the Caribbean. The LAC Bureau also performs health trends and analyses for most of the Western Hemisphere countries. The trends include data by country and sub-region on the status in nutrition, HIV/AIDS, maternal health, child survival, population growth, spread of infectious diseases, and health policy reform. At the field OU level, in-depth analyses are done to define and quantify specific needs and problems based on country circumstances. For instance, in Brazil, CSH emphasis areas address incidence of HIV/AIDS, tuberculosis and malaria. In Peru, the need is towards improving health institutions and services in a sustainable fashion. Thus, USAID Peru has a three-pronged approach to improve the quality of services and capacity of institutions, to effect behavioral change, and formulate and implement policy reforms.

Evidence: 1) AA Franco testimony to SACFO, April 2, 2003. 2) AA Franco testimony to the House Committee on International Relations on February 27, 2003; 3) Financial Times article by Mark Mulligan, "Early Signs of Recovery in Latin America." 4) CBJ Overview; Health Trends Analysis by LAC Bureau. 5) Dominican Republic and Brazil Strategic Plans. 6) Peru Strategy. 7) Management Letter between LAC Bureau and Missions - Peru Management Letter provided as example.

Program:	Child Survival and Health (CSH - LAC)
Agency:	United States Agency for International Development
Bureau:	Latin America and Caribbean (LAC) Bureau
Type(s):	Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?

Answer: YES Question Weight 20%

Explanation: The program is designed so that is not redundant or unneccessarily duplicative of any other Federal, state, local or private efforts. As one of several development entities in a developing host country, and the lead United States Government (USG) foreign assistance entity, USAID coordinates with all of the other in-country USG entities under the aegis of the U.S. Ambassador, as well as with the host government and other prominent donors, to avoid duplication of assistance efforts and eliminate program redundancies, and promote country program synergies. For example, in El Salvador, the Centers for Disease Control and Prevention and USAID jointly designed and implemented a program to strengthen an integrated public health surveillance system. Preparation of the annual Mission Performance Plan (MPP) is coordinated by the U.S. Embassy and documents all activities of USG agencies that are carried out in that country. Country Team meetings, involving the principals of all USG entities and chaired by the Ambassador, are also held on a weekly basis. Further, USAID and other bilateral and multilateral donors, the relevant host Government Office, and implementing partners including the U.N. health agencies and the Pan American Health Organization meet regularly to share development experiences and successes, and maximize assistance outcomes. Finally, through the Global Development Alliance (GDA), LAC leverages private resources for jointly funded programs, e.g., those with the Gates Foundation on immunization and nutrition issues.

Evidence: 1) Mission Performance Plan (MPP) - Bolivia, El Salvador, and Honduras as examples. 2) CJB--Donor Collaboration section. 3) OU Example: International Assistance section of Brazil strategy (pg. 13-15). 4) Donor Collaboration section of Health Strategic Objective in Peru Strategy (pg. 72-73). 5) Global Development Alliance (GDA) Guidelines. 6) List of Public-Private Alliances with the Gates Foundation in LAC countries. 7) USAID grant with PAHO. 8) The Automated Directives System (ADS) - Sections 201.3.6 and 201.3.7 (pg. 26-38) provides Agency guidance for the preparation of Strategic Plans. Section 201.3.9.2 provides specific guidance on donor coordination analysis in the strategic planning phase.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

Answer: YES Question Weight 20%

Explanation: The LAC/CSH program design is free of major flaws that would limit it's effectiveness or efficiency. As required by the Automated Directives System (ADS), LAC operating units (OUs) must develop a Results Framework (RF) for each strategic objective (SO), linking the development challenge being addressed to program implementation activities and milestones to be achieved. The SO is the most ambitious result in a particular program area that an operating unit (with its partners) can materially affect and for which it is willing to be held accountable. The RF is informed by various technical and resource analyses and include sector assessments, lessons learned, and gender and country conflict vulnerability analysis. The LAC Bureau's CSH program strategy design process is initiated at the OU level in consultation with the Global Health Bureau to ensure that LAC strategies with CSH activities are relevant to the specific country needs and circumstances. All OU strategies are subject to intensive agency-wide reviews. Final agency approval is contingent on the resolution of all technical and policy-related issues and concerns that were raised during the reviews, as well as consistency with the LAC Bureau's stated priorities and U.S. Foreign Policy interests.

Evidence: 1) ADS 201, pg. 30-33 provides Agency guidance regarding the content of Strategic Plans; ADS 201 pg. 42-48 provide guidance on mandatory and other analyses for developing Strategic Plans. 2) Examples of Strategy: USAID/Brazil HIV/AIDS Strategic Objective including Results Framework and Peru Health Strategic Objective Strategy 3) Example of LAC review of OU Strategic Plan: Peru Management Letter and Issues Paper as examples. 4) June 2003 Ecuador Scope of Work for a Health Assessment (see pg. 58 -64 and Annexes I-III of Peru strategy for a sample summary of the analyses. See pg. 77-86 of Brazil HIV/AIDS strategy for a sample listing of primary and secondary research and interviews conducted to complete these analyses. See June 2003 Ecuador Health Assessment Scope of Work, which includes review of health financing options.)

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?**

Answer: YES Question Weight: 20%

Explanation: The program is effectively targeted to ensure that resources reach the intended beneficiaries. Management in the LAC Bureau is decentralized in that individual strategies are developed and implemented by OUs. Widespread consultation with prominent partners, customers (including beneficiaries), and stakeholders is critical to the development and implementation of all OUs strategic plans. This consultation is done through meetings, workshops, retreats, and surveys. The results of these consultations are integrated into strategic plans and implementation, (i.e. results and activities) are influenced by feedback from stakeholders. In addition, Country and Assistance Checklists are completed to ensure that USAID assistance is targeted at eligible countries and eligible organizations.

Evidence: 1) Example of OU Strategy - Peru Strategy (Health Strategic Objective pg. 73) and Brazil HIV/AIDS Strategic Objective (see discussion of beneficiaries, target groups and target areas pg.23-25). 2) Report to Congress, " USAID Child Survival and Health Program Funds Progress Report (FY 2002). 3) Country Checklist; Assistance Checklist. 4) ADS 201.3.6 and 201.3.7 (pg. 26-38) provides Agency Guidance on the content of strategic plans including involvement of customers, stakeholders and partners (see pg. 73 of Peru Strategy for a summary description of Customer/Beneficiary consultations).

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES Question Weight: 13%

Explanation: To facilitate performance monitoring and reporting under the Joint State/USAID strategies, the LAC Bureau in FY 2004 undertook an extensive effort to align and harmonize a set of contextual and regional performance indicators that would provide valuable performance information to managers both in the field and at Washington Headquarters. USAID's long-term performance goals are supported by outcome and/or output-related performance measures and regional indicators which are used to assess progress towards completion of the long-term goals, and allow Agency management to re-direct program where necessary. For example, in El Salvador, the Mission has four CSH indicators over a five-year period at a minimum: infant mortality rates, diphteria, pertussis, and tetanus (DPT3) coverage for children under 12 months, contraceptive prevalence rate, and number of latrines and water systems constructed or rehabilitated.

Evidence: 1) Joint State/USAID Strategic Plan for Fiscal Year 2004 to 2009. 2) USAID FY 2005 Annual Performance Budget, March 25, 2004. 3) LAC Bureau Approved Regional Indicators, May 14, 2004. 4) Agency FY 2003 Performance and Accountability Report. 5) Agency Guidance on Performance Management - specifically ADS 203.2 through 203.3.5. 6) Example of a PMP : El Salvador Performance Management Plan (PMP). 7) USAID's Expanded Response to HIV/AIDS(pg. 17-19). 8) Draft 2005 Annual Reporting Guidance, Section I, Sub-section A, Item 5 (Page 6) and Guidance Annex VIII, Page 29.

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 13%

Explanation: The LAC/CSH program does have ambitious targets and yearly timeframes for it's long-term measures. For example, in FY 2004 the LAC Bureau undertook an intensive, Bureau-wide effort to develop and build consensus around a set of contextual and regional performance indicators for their sectors related to Democracy, Education, Economic Growth, Health, and the Environment (for this account, only the Health sector relates to CSH). Contextual indicators were adopted to indicate areas where USAID's activities within the region are impacting larger social/economic trends (such as GDP), though movement or progress cannot be attributed to USAID alone. In addition, the LAC Bureau has selected a set of widely accepted and theoretically sound regional performance indicators that will be used to assess progress against annual targets set by the Washington Bureaus and the Missions in the field. Targets are expressed as percentages, where appropriate, or as actual figures in cases where an actual quantified number can be used. Operating Units (OUs) are delegated the authority to define quantitative and verifiable targets and timeframes for their respective Strategic Objectives (SOs, the Bureau's key, ambitious and challenging measures), however these targets are reviewed and vetted by the LAC Bureau and PPC, and are reported each year in the Annual Report (AR). The OU's PMP details targets by SO over the life of the program. OU's are responsible for data quality assessments to determine the measures' validity, reliability, timeliness, precision, and accuracy. Annual Targets are identified in the LAC Bureau's table of regional indicators for FY 2004, 2005, and 2006, as well as results from FY 2003. The LAC Bureau reviews targets at the SO level during the strategy approval process (approximately every five years). OUs are responsible for data quality assessments to determine the measures' validity, reliability, timeliness, precision, and integrity. Changes could also be introduced when circumstances change. For example, in El Salvador, the mission is amending the agreement with its implementing partner due to a decrease in child survival/maternal health funds; this will require a revision of targets and activities.

Evidence: 1) Joint State/USAID Strategic Plan for Fiscal Year 2004 to 2009. 2) USAID FY 2005 Annual Performance Budget, March 25, 2004. 3) LAC Bureau Approved Regional Indicators, May 14, 2004. 4) OU-level indicators - El Salvador Mission PMP as example; 5) ADS 203.3.5 for Agency Guidance on Data Quality Assessments.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 13%

Explanation: USAID's performance management framework is structured around a limited number of challenging but achievable strategic objectives and goals (developed jointly with the Department of State), as well as performance goals, targets and indicators that are logically linked to the long-term joint goals and objectives which enables USAID to demonstrate progress toward achievement. The LAC Bureau measures their performance against this structure through a set of discrete, quantifiable, and measurable annual targets and contextual and performance indicators, which are monitored by the LAC Bureau and are reported each year in the annual reporting process. At the OU level, the PMP includes annual performance measures which are used to assess progress towards the program's long-term goals and objectives. The PMP provides baseline data and annual targets, among other information. Performance of SOs is assessed and documented annually. For example, USAID/Brazil has two SO-level indicators for its CSH-funded HIV/AIDS program that are tracked annually: (1) HIV seroprevalence rate in pregnant woman aged 15-24, and (2) HIV seroprevalence rate among high-prevalence populations.

Evidence: 1) Joint State/USAID Strategic Plan for Fiscal Year 2004 to 2009. 2) USAID FY 2005 Annual Performance Budget, March 25, 2004. 3) LAC Bureau Approved Regional Indicators, May 14, 2004. 4) USAID/Brazil's HIV/AIDS PMP (p. 31-32) 5) OU level indicators - Brazil HIV/AIDS Strategy as example of indicators to be included in USAID/Brazil's HIV/AIDS PMP (see p. 31-32). 6) Draft 2005 Annual Reporting Guidance, Section I, Sub-section A, Item 5 (Page 6) and Guidance Annex VIII, Page 29.

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 13%

Explanation: The program has documented baselines and ambitious targets for its performance measures. For example, each OU's Performance Management Plan (PMP) includes baseline figures and annual targets. Each SO also defines Intermediate Results (IRs) that are incremental over time and contribute directly to the attainment of the objective. During this phase, illustrative targets are identified and these are finalized within a year of the SOs approval. As an example, Peru's Strategy defined the SO as "Improved Health for Peruvians at High Risk" and one of three IRs contributing to that SO is "Quality Services Accessible and Utilized." Annual indicators used by USAID/Peru to assess performance of the SO and the above IR include: (1) fertility gap, (2) adolescent pregnancy rate, (3) births attended by a trained health professional, and (4) contraceptive market share of private producers and suppliers. Baseline data and targets for these indicators were preliminarily defined. During the annual performance review, the OU will consider, among other things, whether targets should be adjusted in light of recent performance so as to remain ambitious.

Evidence: 1) Peru PMP and Strategy Illustrative Performance Measures (pg. 70 of Peru Strategy) as examples. 2) ADS 203.2, 203.3, 203.4 and 203.5 provide Agency Guidance on Performance Management and Data Quality. 3) LAC Bureau Approved Regional Indicators, May 14, 2004. 4) Draft 2005 Annual Reporting Guidance, Section I, Sub-section A, Item 5 (Page 6) and Guidance Annex VIII, Page 29.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 13%

Explanation: At the OU-level, Strategic Objective Agreements (SOAGs) with host Governments outline the terms of agreement, including commitment to shared goals of USAID/LAC OUs and counterpart Ministries. Solicitation documents for contractors and grantees such as Request for Proposals (RFP), Request for Applications (RFA), or Annual Program Statements (APS) incorporate SO and/or program objectives. Respondents to the RFP or RFA need to articulate how they plan to contribute to the achievement of LAC Mission Strategic Objectives. The extent to which they would be able to help achieve these shared objectives and goals is incorporated in the technical merit criterion of the selection criteria. Grants and Contract Agreements incorporate or reflect these shared commitments to common goals, typically in the scope of work section. These commitments are likewise reflected in Contractors and Grantees annual work plans. By the terms and conditions of their agreements, contractors and grantees provide quarterly progress reports to OUs that document their results to date. USAID managers verify information in these reports through monitoring, site visits, and meetings. The information in the OU's PMP includes results reported and verified from contractors and grantees. All of these activities are designed and carried out to ensure that USAID partners commit to and work toward the annual and/or long-term goals of the program.

Evidence: 1) Sample SOAG. 2) Brazil HIV/AIDS Request for Applications. 3) ADS 350 guidance on SOAGs. 4) ADS 303.5.5 b and c provide Agency guidance on Evaluation Criteria for Grants. 5) Program Approach, Design, and Implementation section of Brazil HIV/AIDS RFA, pg. 7. 6) Brazil HIV/AIDS RFA, pg. 17. 7) Program Description of Brazil RFA. 8) Monitoring, Evaluating and Reporting section of Brazil HIV/AIDS RFA, pg. 9.

PART Performance Measurements

Program: Child Survival and Health (CSH - LAC)

Agency: United States Agency for International Development

Bureau: Latin America and Caribbean (LAC) Bureau

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 13%

Explanation: Independent evalautions of sufficient scope and quality are conducted on a regular basis. Evaluations are intended to look at results achieved vs. targets/goals, program impact and effectiveness, and lessons learned among others. For example, in the past five years approximately 200 evaluations have been conducted for the LAC Bureau's programs, including CSH-funded activities. A break-out of evaluations of CHS-only activities is not available because evaluations are often cross-sectoral and activities can involve multiple funding sources. Situations that require evaluations include: input to inform a key management decision; performance data that indicate an unexpected result or finding which cannot be readily explained and therefore, needs further analysis; customer or partner feedback that suggest there are implementation problems or unmet needs; the need to re-examine program sustainability; cost-effectiveness or relevance; and to identify lessons learned. Evaluations are internal, independent or involve a combination of evaluators. The type of information sought determines how the evaluation should be approached. An independent evaluation is conducted by a unit or expert not directly associated with the activity or program, such as a consulting firm which is competitively bid. An example is the September 2002 final evaluation of Nicaragua's Child Survival project, which shows that program goals have been achieved. In addition, the USAID Office of the Inspector General (IG) conducts audits both on program performance and management effectiveness. For example, the May 2002 IG audit of USAID Bolivia's Financial Operations showed that all advances and disbursements were made in accordance with established policy and regulations, but check issuing data needed to be entered into the electronic payment tracking system. In addition to evaluations, the LAC Bureau conducts intensive reviews of programs approximately once every three years during which time participants from outside the OU (including staff from LAC/Washington, PPC, the Pillar Bureaus, State Department, etc.) have an opportunity to assess program performance and, as necessary, provide guidance for improving the effectiveness or impact of the program.

Evidence: 1) LAC list of evaluations, as compiled by USAID's Center for Development Information and Evaluation (CDIE). 2) Inspector General Audit Reports (see Bolivia Financial Operations audit as example). 3) Independent Evaluations of Nicaragua's Child Survival Project, pg. 8. 4) ADS 203.3.6 provides Agency guidance on evaluations.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO Question Weight: 13%

Explanation: At the regional level, USAID/LAC does not yet develop budget requests that are explicitly tied to accomplishment of annual and long-term performance goals. The framework of regional and common agency performance goals and targets is too new for the agency to be able to integrate this performance data into their strategic budgeting. OMB commends USAID for its efforts in developing a strategic budgeting model (which factors in performance data) to support the LAC (and all regional bureaus) in their budget formulation. At the level of the Operating Units (OUs) budget requests are linked somewhat to the Annual Report of the OU, which summarizes program progress toward each Strategic Objective of the OU. Furthermore, the Congressional Budget Justification summarizes program progress by Strategic Objective, for each individual OU, bu this is done in a qualitative, anecdotal manner, and the agency has not yet reached the stage of incorporating their more quantitative performance data into budget presentations. That said, the CBJ is otherwise a transparent and complete presentation of resource needs.

Evidence: 1) OU Annual Report (AR) - Guatemala as an example. 2) LAC Review of AR - Guatemala as an example. 3) FY 2005/2006 Bureau Program and Budget Submission (BPBS) Guidance issued by the Agency's Policy and Program Coordination Office. 4) Congressional Budget Justification (CBJ).

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: USAID has taken extensive action to improve it's strategic planning and budgeting porcesses and tools. USAID's performance management framework provides the vital linkage between joint State/USAID strategic objectives, strategic goals, performance goals, contextual and common performance indicators at the regional level, and annualized performance targets. LAC conducts intensive reviews of OU strategies at least once every three years in accordance with USAID policy (ADS 203.3.10).

Evidence: 1) Joint State/USAID Strategic Plan for Fiscal Year 2004 to 2009. 2) USAID FY 2005 Annual Performance Budget, March 25, 2004. 3) LAC Bureau Approved Regional Indicators, May 14, 2004. 4) Agency FY 2003 Performance and Accountability Report. 5) Agency Guidance on Performance Management - specifically ADS 203.2 through 203.3.5. 6) LAC Timeline for Mission Program/Strategy Reviews. 7) Intensive Review memos - Jamaica and Haiti as samples. 8) AA Franco-Cronin Memo, re: Central America and Mexico Regional Strategy. 9) ADS 203.3.10 - Planning, pg. 39. 10) Draft 2005 Annual Reporting Guidance, Section I, Sub-section A, Item 5 (Page 6) and Guidance Annex VIII, Page 29.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 10%

Explanation: USAID regularly collects timely and credible performance information from key program partners. Funding recipients are required to manage, monitor, and report performance information on a regular basis. This information is submitted to OUs on a quarterly basis and feed into the Annual Report (AR) and PMP. OUs indicate in the AR the status of targets for CSH. The LAC Bureau, in turn, reviews OU performance via the AR review process. When targets are not met, various options may be considered depending on the specific circumstances and issues involved: the contract or grant agreement may be modified, additional funds may be delayed or not provided, management changes may be introduced, discussions may take place with other partners (other donors or host-country) regarding their commitment, etc. If goals are exceeded the OU will decide whether to set new targets or to focus on other interventions. The AR review process in turn feeds into Bureau decisions about programming, budgeting, and staffing, among others.

Evidence: 1) Operating Unit Annual Report (AR), with Guatemala AR as sample. 2) LAC Bureau Review of Guatemala AR. 3) Operating Unit Performance Management Plan (PMP), with Ecuador as a sample. 4) USAID's ADS 202.3.6; USAID adherence to 22 CRR 226, "Administration of Assistance Awards to US Non-governmental Organizations," Section 226.51, "Monitoring and Reporting Program Performance"; ADS 303.7 Mandatory Reference for Grants. 5) Draft 2005 Annual Reporting Guidance, Section I, Sub-section A, Item 5 (Page 6) and Guidance Annex VIII, Page 29.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES   Question Weight: 10%

Explanation: USAID federal managers and program partners are held accountable for cost, schedule, and performance results. A cognizant technical officer (CTO) is designated for each LAC activity to manage contractors and grantees. CTO responsibilities include, among others, the technical review and approval of vouchers, monitoring contractor/grantee performance and financial status, and overseeing sub-agreements. The Agency recently re-established a training program to certify CTOs responsible for managing contracts and grants. The courses are designed to provide CTOs with the basic skills and knowledge to effectively carry out the role of a CTO. Under USAID's personnel evaluation process, CTOs are evaluated for effective management of agreements, including the quality of technical guidance provided to contractors and grantees. The Agency also offers a course for CTO supervisors to enable them to more effectively provide on-the-job training and to better monitor and evaluate the performance of a CTO. For contractors and grantees, past performance is a criteria in the award. An example is Brazil HIV/AIDS RFA which requires applicants to provide a description of all contracts, grants, and cooperative agreements which the applicant has implemented involving similar or related programs over the past three years with USAID and with other organizations (both commercial and governmental). Institutional capability and past performance is 25% of the total selection criteria in this case. Performance-based type of contracts and agreements are used to focus contractors on achievement of program results. For example, Guatemala's Health SO has the contractor responsible for achieving five specific results: increased use of the Maternal and Child Health services provided by the Ministry of Health (MOH) and its NGO partners; increased adoption of household health practices that favor improved child survival and health; better managed MOH and NGO health programs; greater community participation and empowerment; and increased use of selected MCH services provided by hospitals and clinics of the host-country's social security system. Midterm evaluations are also used to review performance to date and identify issues. An example is the August 2001 mid-term evaluation of Nicaragua's Diversification, Sustainability and Social marketing grant wherein program recommendations were outlined by an independent evaluator and carried out by the program partner.

Evidence: 1) CTO responsibilities as defined in ADS 300. 2) Brazil HIV/AIDS RFA, Guatemala G-CAP Performance-Based Statement of Work for its Health SO. 3) August 2001 mid-term evaluation of Nicaragua's Diversification, Sustainability and Social marketing grant. 4) Course description of CTO Certification Program.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES   Question Weight: 10%

Explanation: USAID funds are obligated in a timely manner and spent for the intended purpose. Obligations, among other financial data, are tracked via Phoenix, an Agency-wide accounting system. LAC/CSH funds are provided on an incremental, as-needed basis, with specific amounts determined by the budget and final Operating Year Budget setting processes. Once funds are obligated, OUs and the LAC Bureau monitor disbursements over the life of the program. Based on Agency policy and LAC Bureau's analysis, an OU's program may not receive its full increment of funds in a subsequent year if it is determined that an unacceptable level of funds is still unspent (undisbursed). According to Agency policy, a program can only have unspent funds sufficient to cover expected disbursements for the next 12-18 months. Finally, all OUs are required to prepare procurement plans that outline planned procurements and obligations and help ensure that funds are spent in a timely manner and for the intended purpose.

Evidence: 1) Phoenix Flash report. 2) ADS 602 also provides specific Agency guidance regarding forward funding of programs. 3) LAC Regional Procurement Plan.

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES   Question Weight: 10%

Explanation: Mission Management Assessments (MMAs) recently undertaken by the LAC Bureau provide a systematic and comprehensive view of the Bureau's OUs as a basis for defining ways to improve operations and to help rationalize the allocation of scarce staff and operating expense (OE) resources. The results of the Mexico, Guatemala, Honduras and Nicaragua MMAs were taken into account during the development of the Central America and Mexico Regional strategy. Building upon favorable experience with regional hubs for service support, the Bureau has agreed to move toward one regional platform over time in Central America, which will be located in El Salvador. Consolidation of accounting functions in the Carribbean missions resulted in the reduction of five positions and a future annual cost reduction of approximately $60,000 in OE. The upgrade in Wide Area Renovation Plan communications capability througout the LAC region, coupled with Virtual Private Network technology, has facilitated secure and extremely rapid transmission of raw accounting and payment information from the serviced post to the regional center and back to the serviced post in the form of usable, almost real-time accounting information. As a result, El Salvador performs payment certification functions for Guatemala, resulting in the reduction of one position and a future annual cost savings of $70,000. Although the above examples demonstrate operational efficiencies, LAC does not have procedures to measure program efficiency in terms of program output or performance as required.

Evidence: 1) ADS 300 provides the overall guidance on procurement including competitive procurements (ADS 302 for Contracts and 303 for Grants). 2) FAR for ADS 302 -Contracts and 22 CFR 226 for ADS 303 - Grants. 3) LAC FY 2005/2006 Bureau Program and Budget Submissions (BPBS) (pg. 26-29 for Management Improvements/Operational Efficiencies).

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: YES   Question Weight: 10%

Explanation: The program does collaborate and coordinate effectively with related programs. Most notably, the Department of State and USAID have recently developed joint goals at the Department/Agency level via the Joint State-USAID FY 2004-2009 Strategic Plan which formalize the relationship highlighted in 1.3. Historically, State and USAID have planned and implemented programs collaboratively at the country level via the MPP process, which will now influence the joint State/USAID Strategic Plan. Weekly country team meetings are held among USG agencies and regular coordination meetings with other donors in a country. In addition, the LAC Bureau and its OUs collaborate and coordinate with related programs in a leadership or participant role through a variety of mechanisms: close working collaboration with U.N. health organizations and PAHO, working arrangements with other Federal agencies such as CDC, and alliances with the private sector. Finally, the budget request process is a joint effort between State and USAID and is reflected in the FY 2005 Bureau Program Budget Submission which will be the basis for an integrated budget that is submitted to the White House.

Evidence: 1) State-USAID Strategic Plan. 2) Examples of MPPs - El Salvador, Honduras and Bolivia. 3) Example of public-private partner alliance: GDA alliance with the Gates Foundation. 4) Example of grant with PAHO. 5) FY 2005/2006 Bureau Program Budget Submission. 6) Joint Memo dated 9/28/00 from STATE/USAID on guidance and recommendation to improve cooperation and coordination between the agencies.

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

3.6 **Does the program use strong financial management practices?** Answer: NO Question Weight: 10%

Explanation: Through the Federal Managers Financial IntegrityAct (FMFIA)/Management Control Review Committee process, USAID ensures that resources are protected against fraud, waste and abuse and that they achieve the results for which funds were appropriated. The process requires each OU in the LAC Bureau to do a self-assessment of the adequacy of management controls in all areas of agency operations including program, administrative, and financial management. Each OU submits an FMFIA memo to the LAC Bureau, which in turn submits a Bureau memo to the USAID Administrator. LAC grants and contractors are also subject to audits. Currently, the Phoenix system is used for Washington accounting and the MACS system for field accounting, using two systems has created a disconnect between the two. USAID plans to roll out the Phonenix system to the field, which will resolve the outstanding problems. It is anticipated that a first LAC pilot Mission (USAID/Peru) may begin Phoenix operation in mid-FY 2004. Other pilot Missions will follow a few months later depending on the success of the first pilot. Once Phoneix is deployed to all missions, USAID anticipates getting a "yes" answer for this question.

Evidence: 1) Federal Manager's Financial Integrity Act (FMFIA) checklist. 2) OU completed FMFIA analysis, with Ecuador as an example. 3) LAC Bureau FMFIA memo to USAID Administrator dated October 29, 2002. 4) Report on Material Weaknesses - Guyana and Ecuador as examples. 5) Agency-wide guidelines for Recipient-contracted audits (RCA). The Agency's ADS 620 chapter provides the overarching accounting and financial reporting principles and standards for the Agency. 6) ADS 596 provides Agency guidance regarding the accountability and effectiveness of USAID's programs and operations by establishing, assessing, correcting, and reporting on management controls. These ADS chapters are based on regulations issued by Federal oversight agencies, including OMB, Treasury and GAO.

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 10%

Explanation: The program has taken meaningful steps to address management deficiencies. For example, the FMFIA process requires each OU in the LAC Bureau to do a self-assessment of the adequacy of financial management controls in all areas of agency operations, including management of program assistance. Each OU submits an FMFIA memo to the LAC Bureau, which in turn submits a Bureau memo to the USAID Administrator. At the OU level, LAC missions address deficiencies or weaknesses that could appropriately be resolved at that level. Any significant deficiency or material weakness (whether new or unresolved from previous FMFIA reviews) is reported to the LAC Bureau and included in the Bureau FMFIA memo to the Administrator. Steps for resolving the weakness are identified and a date proposed by which the weakness or deficiency will be corrected. In 2002, missions were also specifically requested to complete an information system security checklist, as part of the FMFIA process. The LAC Bureau has also recently undertaken management assessments of its OUs. Six assessments have been completed since May 2002. The results of the Mexico, Guatemala, Honduras and Nicaragua management assessments were taken into account during the development of the Central America and Mexico (CAM) Regional strategy. The assessments have helped define ways to improve Bureau operations, such as consolidating accounting functions in regional hubs, resulting in significant savings. The El Salvador mission is poised to serve as the Central America regional hub and will provide support services for a number of missions in the region.

Evidence: 1) ADS 620, FMFIA checklist. 2) OU completed FMFIA analysis- with Ecuador as a sample. 3) LAC Bureau FMFIA memo to USAID Administrator, dated October 29, 2002. 4) Report on Material Weaknesses - Guyana and Ecuador as samples. 5) LAC FY 2005 BPBS (pg. 26-29 for Management Improvements/Operational Efficiencies).

PART Performance Measurements

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?**

Answer: NO Question Weight: 10%

Explanation: To the maximum extent permitted by legislation and statute, LAC Bureau contracts and grants are awarded competitively, except where supported by documentation approved by officials with authority to approve non-competitive awards. For example, in FY 2002 $78.8 million of new assistance in LAC were awarded competitively including a qualified assessment of merit, out of a total of $104.7 million (about 75%). Decisions on grant and contract awards are properly documented (via selection memos, memos of negotiation, etc.). USAID Washington (via the Office of Procurement) reviews and provides oversight to ensure LAC adherence to Federal regulations and Agency guidance on competition.

Evidence: 1) ADS 303.5 for Grants and CBD notices for Contracts. 2) ADS 202.3.9 provides guidance on ensuring procurement integrity and ethics.

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?**

Answer: YES Question Weight: 10%

Explanation: The LAC program has oversight practices that provide sufficient knowledge of grantee activities. For example, a Cognizant Technical Officer (CTO) is designated for each program to manage contractors and grantees. CTO responsibilities include, among others, technical review and approval of vouchers, monitoring contractor/grantee performance and financial pipelines, and overseeing sub-awards. The Activity Manager and the SO Team Leader, who may or may not be the CTOs, also provide oversight. In addition, mission management is kept informed of program performance, progress, and issues via periodic portfolio reviews, staff meetings, etc. The LAC Bureau, in turn, is informed via the Annual Review process. The OU Agreement Officer is the mandatory control point of record for all official communications and contacts with the recipient that may affect the award budget, the program description or any terms and conditions of the award. Audits per OMB Circular A-133 or recipient-contracted audits are also conducted as required by policy or regulation.

Evidence: 1) Cognizant Technical Officer (CTO) responsibilities as provided in ADS 303.3 for Grants and ADS 302.3 for Contracts. 2) Recipient-Contracted Audit guidelines. 3) USAID FY 2003 Performance and Accountability Report.

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?**

Answer: YES Question Weight: 10%

Explanation: The LAC Bureau collects grantee performance data and makes it available to the public. In preparing USAID's reporting documents, the data supplied by the various grantees and contractors are utilized to support LAC Bureau's analysis and program descriptions. Disclosure to the public is done in a number of different ways. For example, the USAID FY 2003 Performance and Accountability Report discloses program information at the Agency level. The CBJ (available on the USAID web site) provides specific information to the public on LAC programs including information on SO performance and results, by OU. The CBJ also indicates the various grantees and contractors working in the different SOs. USAID's Center for Development Information and Evaluation (CDIE), via the Development Experience Clearinghouse (DEC), makes some evaluations of specific programs available to the public.

Evidence: 1) USAID FY 2003 Performance and Accountability Report. 2) CBJ 3. Program/Activity evaluations.

Program: Child Survival and Health (CSH - LAC)

Agency: United States Agency for International Development

Bureau: Latin America and Caribbean (LAC) Bureau

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?**

Answer: SMALL EXTENT Question Weight 20%

Explanation: At the regional level, the LAC Bureau has long-term performance measures (i.e., strategic objectives, strategic goals, and performance goals) and common regional indicators (contextual and performance) for CSH programs. The program is on-track to meet all of the long-term performance goals, including those which are joint goals/objectives with the Department of State, and the country-level OU indicators. For FY 2003, 93% of the strategic objectives USAID was required to report on met or exceeded their targets. USAID also met the target in the FY 2003 Annual Performance Plan of 90% of strategic objectives met or exceeded. The LAC Bureau review of ARs from OUs show that programs are generally meeting CSH targets. In the case of El Salvador, 4,400 latrines and 15 water systems were to be constructed over a three year period. The actual results were close to 5,000 latrines and 15 water systems. In this case, the SO team would consider revising their targets upward if targets over a two or three year period are consistently exceeded by 15% to 20%. The additional 600 latrines is less than 20% of the projected target over one year, therefore targets have not been adjusted.

Evidence: 1) Joint State/USAID Strategic Plan for Fiscal Year 2004 to 2009. 2) USAID FY 2005 Annual Performance Budget, March 25, 2004. 3) LAC Bureau Approved Regional Indicators, May 14, 2004. 4) Agency FY 2003 Performance and Accountability Report. 5) Examples of PMP and Annual Report: El Salvador PMP, Guatemala AR. 6) Draft 2005 Annual Reporting Guidance, Section I, Sub-section A, Item 5 (Page 6) and Guidance Annex VIII, Page 29.

4.2 **Does the program (including program partners) achieve its annual performance goals?**

Answer: SMALL EXTENT Question Weight 20%

Explanation: At the regional level, the LAC Bureau has specific, quantifiable (to the maximum extent possible) annual targets and common regional indicators (contextual and performance) for CSH programs. These measures are supplemented by country-level indicators which are contained in OU Performance Monitoring Plans (PMPs). The program is on-track to meet all of the annualized targets, including those which are joint targets with the Department of State and other program partners. At the country level, these measures do exist and are contained in OU PMPs. OUs report in their Annual Report whether targets are met, exceeded or not met. The PMP and Annual Report are the primary documents that show whether program performance is on track. These documents are, in large part, based on grantee and contractor (partner) information. In the case of CSH, targets at the OU level have been predominantly met.

Evidence: 1) Joint State/USAID Strategic Plan for Fiscal Year 2004 to 2009. 2) USAID FY 2005 Annual Performance Budget, March 25, 2004. 3) LAC Bureau Approved Regional Indicators, May 14, 2004.4) Examples of PMP and Annual Report: El Salvador PMP, Guatemala AR. 5) USAID FY 2003 Performance and Accountability Report. 6) Draft 2005 Annual Reporting Guidance, Section I, Sub-section A, Item 5 (Page 6) and Guidance Annex VIII, Page 29.

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?**

Answer: LARGE EXTENT Question Weight20%

Explanation: The LAC program has demonstrated improved efficiencies and cost effectiveness in achieving program goals each year. For example, improvements in technology and consolidation of accounting functions have resulted in major savings. In the Caribbean, results include five less staff positions and an annual OE cost reduction of approximately $60,000. In Guatemala, a reduction of one position meant savings of $70,000 as El Salvador (already poised as a regional support center) assumed payment certification functions. The mission management assessments (MMAs) conducted by LAC since May 2002 provide a systematic and comprehensive view of the Bureau's overseas OUs as a basis for defining ways to improve Bureau operations, and to help rationalize the allocation of scarce staff and operating expense resources. The results of the Mexico, Guatemala, Honduras and Nicaragua MMAs have already been taken into account during the development of the Central America and Mexico Regional strategy.

Evidence: 1) LAC FY 2005/2006 BPBS (pg. 26-29 for Management Improvements/Operational Efficiencies). 2) CTO responsibilities as provided in ADS 303.3 for Grants and ADS 302.3 for Contracts. 3) Guyana and Ecuador FMFIA reports. 4) LAC Bureau's FMFIA memo dated October 29, 2002.

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: YES Question Weight20%

Explanation: The performance of the LAC/CSH program compares favorably to other programs with similar purposes and goals. Because of its field presence and flexible programming, USAID is often cited by other donors and host governments for its ability to respond quickly, for both disaster assistance and standard international assistance, and for its leadership of country program coordination with other donors. For example, in 2001, the Government of Honduras prepared its Poverty Reduction Strategy Paper (PRSP) in response to the World Bank and the International Monetary Fund's highly indebted poor country (HIPC) initiative. USAID was widely credited for its leadership role among the donors. USAID programming decisions and experience also heavily influenced Nicaragua's PRSP and USAID's involvement facilitated public discussion and debate to a degree that would not have occurred in the past.

Evidence: 1) LAC consultations with the World Bank and IDB on Country Assistance Strategies for Honduras, Bolivia, Nicaragua, and Ecuador, May 2002. 2) Evaluation Brief Number 5, March 2003: USAID's Approach to Poverty Reduction - The Case of Honduras (pg. 7-8).

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: LARGE EXTENT Question Weight20%

Explanation: Independent evaluations have shown that CSH programs are achieving results. The September 2002 final evaluation of Nicaragua's CSH project described it as a five-star project, which included among its results UNICEF's accreditation of the project-assisted health posts and centers and service-oriented leadership by the Ministry of Health. The August 2002 final evaluation of Bolivia's CSH project showed that all its goals have been achieved and the final results are marked improvements from the baseline data on diarrhea incidence in children, maternal health, child spacing, and STI and HIV/AIDS awareness. A perusal of Inspector General (IG) reports indicated that in the past three years, there is only one audit report which stated that results were not completely achieved - in large part due to a new bilateral partner.

Evidence: 1) LAC list of evaluations, as compiled by CDIE. 2) Examples: September 2002 final evaluation of Nicaragua's CSH Projects, and August 2002 final evaluation of Bolivia's CSH projects. 3) IG report on Mexico Program to Develop Institutional Capacity to Diagnose, Control, and Monitor Tuberculosis.

PART Performance Measurements

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

Measure: HIV Prevalence Rate - Average, per UNICEF data, in USAID Presence Countries

Additional Information: This measure is linked to the Measure #6 above, Number of Individuals Receiving Voluntary Counseling and Testing (VCT), assuming that receiving counseling and knowing your HIV status makes you less likely to transmit the disease. The number of individual

Measure Term: Long-term

Year	Target	Actual
1996	Baseline	1.2
2003	Baseline	1.3
2010	1.4	

Measure: Proportion of children under one year of age who received the complete series (three doses) of DPT (diphtheria, pertussis, and tetanus) vaccine before age 12 months.

Additional Information: Proportion of children under one year of age who received the complete series (three doses) of DPT (diphtheria, pertussis, and tetanus) vaccine before age 12 months. Numerator: Number of children under 12 months who received three doses of DPT vaccine before age 12 months. Denominator: Total number of expected live births in a given year. This measure is linked to L-T Measure #8 below.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	83%
2004	84%	
2005	85%	
2006	86%	

Measure: Contraceptive Prevalence Rate (CPR). The CPR is a measure of the proportion of the population that is using contraception.

Additional Information: The CPR is a measure of the proportion of the population that is using contraception. There is a link between this and total fertility rate. This measure is linked to L-T Measure #9 below.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	66%
2004	68%	
2005	70%	

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

2006	72%

Measure: Percent of deliveries attended by skilled birth attendants

Additional Information:

Year	Target	Actual
2003	Baseline	69%
2004	70%	
2005	71%	
2006	72%	

Measure Term: Annual

Measure: Number of cases of A.P. Falciparum Malaria.

Additional Information:

Year	Target	Actual
2003	Baseline	835,000
2004	735,000	
2005	635,000	
2006	535,000	

Measure Term: Annual

Measure: Number of individuals receiving Voluntary Counseling and Testing (VCT) services.

Additional Information: Receiving Voluntary Counseling and Testing and knowing your HIV status has an impact on behavior that can directly impact HIV prevalence rates. This measure is linked to L-T Measure #10 below.

Year	Target	Actual
2003	Baseline	171,348

Measure Term: Annual

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

2004	200,000
2005	215,000
2006	230,000

Measure: Ratio of the Strategic Objective (SO) Management Costs to SO Program Dollars.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	Baseline	0.15
2004	0.15	
2005	0.13	
2006	UD	

Measure: Ten year improvement in the Under 5 Mortality Rate, on average as measured by UNICEF, in USAID Presence Countries

Additional Information: This measure is linked to the DPT3 rate (Measure #2 above), as vaccination rates are used as a proxy for overall child survival activities. The 1990 and 2002 Baselines should be viewed in context with the DPT3 Coverage Rates (expressed in Measure #2 as Targets for FY 2004-2006).

Measure Term: Long-term

Year	Target	Actual
1990	Baseline	66.5
2002		43.6
2010	31	

PART Performance Measurements

Program: Child Survival and Health (CSH - LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

Measure: Total fertility rates, on average, per CELADE data, in USAID Presence Countries

Additional Information: This measure is linked to the Measure #3 above, Contraceptive Prevalence Rate (CPR - using all methods), which is a measure of the proportion of the population that is using contraception. CPR is a proxy for overall reproductive health programs. The 1990-2000 and 2003 Baselines should be viewed in context with the Contraceptive Prevalence Rates (expressed in Measure #3 as Targets for FY 2004-2006).

Measure Term: Long-term

Year	Target	Actual
1995-2000	Baseline	3.4
2003	Baseline	3.3
2010	2.8	

PART Performance Measurements

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

1.1 **Is the program purpose clear?** Answer: YES Question Weight20%

Explanation: The Foreign Assistance Act of 1961 (FAA) does not distinctly authorize Development Assistance (DA), nor does any specific authorization legislation that follows. It is per the direction of annnual Foreign Operations Appropriations legislation, DA is funded to carry out sections 103, 105, 106, and 131 of Chapter 1 and Chapter 10 of Part 1 of the FAA, including activities for free market economic development, agriculture, rural development, literacy and basic education for children and adults, environment, energy, science and technology and other programs related to longer-term development. USAID/LAC's programming of DA funds supports the US foreign policy priority to advance sustainable development and global interests, and contributes to USAID's goals of economic growth and agricultural development, democracy and good governance, human capacity building, and environmental protection.

Evidence: 1) Secretary of State Statement in Bureau Performance Plans (BPPs). 2) State-USAID Strategic Plan for FY 2004-2009. 3) USAID Administrator Natsios testimony to HACFO, April 9, 2003. 4) Assistant Administrator (AA) Franco testimony to SACFO, April 2, 2003. 5) AA Franco testimony to the House Committee on International Relations, February 27, 2003. 6) Congressional Budget Justification (CBJ) Overview. 7) Anderson-Albright memo on State/USAID coordination, dated September 28, 2000.8) USAID Administrator Natsios testimony to House Appropriations Subcommittee on Foreign Operations, April 9, 2003. 9) LAC Assistant Adminsitrator Franco testimony to the Senate Committee on Foreign Relations on April 2, 2003. 10) AA Franco testimony to the House Committee on International Relations on February 27, 2003. 11) Congressional Budget Justification (CBJ) Overview.

1.2 **Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight20%

Explanation: The program addresses a specific need and specific problems within the region. The DA programs in the LAC region support U.S. foreign policy interests as well as address country level problems: promoting broad-based economic growth, strengthening democratic processes, reducing poverty, protecting and improving health and nutrition, and fostering cooperation on issues such as drug trafficking and crime, and environmental protection. The development challenges in the LAC region include contracting economic growth rates, extensive poverty, unemployment, skewed income distribution, crime and lawlessness, a thriving narcotics industry, and a deteriorating natural resource base. There are also civil unrest due to poor economic conditions, political instability in some countries, and natural disasters. These challenges are documented through LAC's strategic planning processes, in the Budget Justification to Congress (CBJ) and in trend analyses, as well as development statistics from other institutions such as the World Bank and the UN Economic Commission for Latin America and the Caribbean. Additionally, challenges faced by each country are reflected in each Mission Performance Plan (MPP), which encompasses all activities of United State Government (USG) agencies working in the country and in the region.

Evidence: 1) Secretary of State Statement in Bureau Performance Plans (BPPs). 2) State-USAID Strategic Plan for FY 2004-2009. 3) USAID Administrator Natsios testimony to HACFO, April 9, 2003. 4) LAC Assistant Administrator (AA) Franco testimony to SACFO, April 2, 2003. 5) AA Franco testimony to the House Committee on International Relations, February 27, 2003. 6) Congressional Budget Justification (CBJ) Overview. 7) Anderson-Albright memo on State/USAID coordination, dated September 28, 2000.8) USAID Administrator Natsios testimony to House Appropriations Subcommittee on Foreign Operations, April 9, 2003. 9) LAC Assistant Adminsitrator Franco testimony to the Senate Committee on Foreign Relations on April 2, 2003. 10) AA Franco testimony to the House Committee on International Relations on February 27, 2003. 11) Congressional Budget Justification (CBJ) overview. 12) 12/19/02 Financial Times article by Mark Mulligan, "Early Signs of Recovery in Latin America." 13) LAC Bureau Trends Analysis in Environment, as an example. 14) Budget Justification to Congress, FY2004 (outlines existing problems and challenges on the regional, sub-regional, and country level.) 15) El Salvador Mission Performance Plan (MPP).

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

1.3 **Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?**

Answer: YES Question Weight20%

Explanation: The program is designed so that is not redundant or unneccessarily duplicative of any other Federal, state, local or private efforts. As one of several development entities in a developing host country, and the lead United States Government (USG) foreign assistance entity, USAID coordinates with all of the other in-country USG entities under the aegis of the U.S. Ambassador, as well as with the host government and other prominent donors, to avoid duplication of assistance efforts and eliminate program redundancies, and promote country program synergies. For example, in El Salvador, the Center for Disease Control and USAID jointly designed and implemented a program to strengthen an integrated public health surveillance system. Preparation of the annual Mission Performance Plan (MPP) is coordinated by the U.S. Embassy and documents all activities of USG agencies that are carried out in that country. Country Team meetings, involving the principals of all USG entities and chaired by the Ambassador, are also held on a weekly basis. Further, USAID and other bilateral and multilateral donors, the relevant host Government Office, and implementing partners including the UN health agencies and the Pan American Health Organization (PAHO) meet regularly to share development experiences and successes, and maximize assistance outcomes. Finally, through the Global Development Alliance (GDA), LAC leverages private resources for jointly funded programs. Preparation of the annual Mission Performance Plan (MPP) is coordinated by the U.S. Embassy and documents all activities of USG agencies that are carried out in that country (see MPPs for Bolivia, El Salvador and El Salvador). Country Team meetings, involving the principals of all USG entities and chaired by the Ambassador are also held on a weekly basis. Further, USAID and other prominent donors, the relevant host Government Office, and implementing partners meet regularly to share development experiences and successes, and maximize assistance outcomes. Finally, through the Global Development Alliance (GDA), LAC leverages private resources for jointly funded programs.

Evidence: 1) Mission Performance Plan (MPP) - Bolivia, El Salvador, and Honduras as examples. 2) CJB--Donor Collaboration section. 3) OU Example: International Assistance section of Brazil strategy (pg. 13-15). 4) Donor Collaboration section of Health Strategic Objective in Peru Strategy (pg. 72-73). 5) Global Development Alliance (GDA) Guidelines. 6) List of Public-Private Alliances with the Gates Foundation in LAC countries. 7) USAID grant with PAHO. 8) The Automated Directives System (ADS) - Sections 201.3.6 and 201.3.7 (pg. 26-38) provides Agency guidance for the preparation of Strategic Plans. Section 201.3.9.2 provides specific guidance on donor coordination analysis in the strategic planning phase. 9) Donor Collaboration section of the CBJ. 10) Global Development Alliance (GDA) Guidelines.11) GDA initiatives in LAC - as an example: Coffee Alliance in LAC with Proctor and Gamble and Technoserve (GDA info available on USAID website). 12) Examples of Inter-Agency Agreements with other US Government (USG) entities: a. Federal Trade Commission (Andean Community, September 2002);b. State Department PL 106-246 (Chapare region of Bolivia, August 2001);c. National Oceanic and Atmospheric Administration (Amazon, Brazil March 1999).13) ADS Sections 201.3.6 and 201.3.7 (pg. 26-38) guides the preparation of Strategic Plans. Section 201.3.9.2 provides specific guidance on donor coordination analysis in the strategic planning phase.

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?**

Answer: YES Question Weight 20%

Explanation: The LAC/DA program design is free of major flaws that would limit it's effectiveness or efficiency. As required by the USAID Automated Directives System (ADS), LAC operating units (OUs) must develop a Results Framework (RF) for each strategic objective (SO), linking the development challenge being addressed to program implementation activities and milestones to be achieved. The SO is the most ambitious result in a particular program area that an operating unit (with its partners) can materially affect and for which it is willing to be held accountable. The RF is informed by various technical and resource analyses and include sector assessments, lessons learned, and gender and country conflict vulnerability analysis. All OU strategies are subject to intensive agency-wide reviews. Final agency approval is contingent on the resolution of all technical and policy-related issues and concerns that were raised during the reviews, as well as consistency with the LAC Bureau's stated priorities and U.S. Foreign Policy interests. ADS 201 details the planning/design process. The LAC Bureau's design process is initiated at the Mission level to ensure that the LAC Missions have strategies that are relevant to the specific country needs and circumstances. After the extensive review of the strategy by relevant USAID offices, a management contract is developed between the LAC Bureau and OUs which serves as the basis for approval of the proposed Strategic Plan. The Management Agreement provides a summary of agreements on the OU's program, confirmation of estimated resources, program start and end dates, and additional guidance on any special management concerns. This contract is reviewed on an annual basis and when needed updated through the annual report process and mid cycle intensive reviews that done every three years.

Evidence: 1) ADS 201, pg. 30-33 provides Agency guidance regarding the content of Strategic Plans; ADS 201 pg. 42-48 provide guidance on mandatory and other analyses for developing Strategic Plans. 2) Example of LAC review of OU Strategic Plan: Peru Management Letter and Issues Paper as examples.

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?**

Answer: YES Question Weight 20%

Explanation: The program is effectively targeted to ensure that resources reach the intended beneficiaries. Regular consultation with prominent partners, customers (including beneficiaries), and stakeholders is critical to the development and implementation of all OUs strategic plans. The results of these consultations are integrated into strategic plans and implementation, (i.e. results and activities) are influenced by feedback from stakeholders. In addition, Country and Assistance Checklists are completed to ensure that USAID assistance is targeted at eligible countries and eligible organizations. To ensure that services reach the intended beneficiaries, USAID independent evaluations (see 2.6) are conducted to validate program approaches and direction and serve as the basis for any mid-course corrections. USAID monitors assistance received by beneficiaries through evaluating data collected in the performance monitoring plan (PMP) as well as grantee/contractor reports.

Evidence: 1) Example of OU Strategy - Peru Mission/OU. 2) ADS 201.3.42. 3) ADS 203.3 prohibition to assistance to Drug traffickers. 4) Evidence of participatory planning: Conducting Service Assessment. 5) Parks in Peril Work Plan. 6) El Salvador PMP. 7) TIPS Number 7: Preparing a PMP. 8) Also look at evaluation and performance monitoring techniques on the following website: http://www.usaidresults.org. 9) Ecuador FY 2003 Annual Report.

PART Performance Measurements

Program:	Development Assistance (LAC)
Agency:	United States Agency for International Development
Bureau:	Latin America and Caribbean (LAC) Bureau
Type(s):	Competitive Grant

Section Scores				**Rating**
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 13%

Explanation: In response to the need for more coordinated planning of the United States' foreign policy and development assistance programs, the Department of State and USAID jointly developed the Strategic Plan for Fiscal Year 2004 to 2009. The strategic objectives and specific long-term performance goals contained in the Strategic Plan constitute the top-level strategic planning framework for both agencies. To facilitate performance monitoring and reporting under the Joint State/USAID strategies, the LAC Bureau in FY 2004 undertook an extensive effort to align and harmonize a set of contextual and regional performance indicators that would provide valuable performance information to managers both in the field and at Washington Headquarters. USAID's performance management framework provides the vital linkage between joint State/USAID strategic objectives, strategic goals, performance goals, DA contextual and common performance indicators at the regional level, and annualized performance targets. USAID's long-term performance goals are supported by outcome and/or output-related performance measures and regional indicators which are used to assess progress towards completion of the long-term goals, and allow Agency management to re-direct program where necessary.

Evidence: 1) Joint State/USAID Strategic Plan for Fiscal Year 2004 to 2009. 2) USAID FY 2005 Annual Performance Budget, March 25, 2004. 3) LAC Bureau Approved Regional Indicators, May 14, 2004. 4) Agency FY 2003 Performance and Accountability Report. 5) Agency Guidance on Performance Management - specifically ADS 203.2 through 203.3.5. 6) Example of a PMP : El Salvador Performance Management Plan (PMP). 7) Agency Guidance on Performance Management - specifically ADS 203.2 through 203.3.5.8) Example of an OU Strategy - Peru Mission Strategy. 9) Example of an OU Performance Management Plan (PMP) - El Salvador Mission. 10) Ecuador FY 2003 Annual Report.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 13%

Explanation: The LAC/DA program has set ambitious targets and yearly timeframes for it's long-term measures. The two long term measures, % of countries meeting the MCA criteria on ruling justly and corruption, and improvement in trade readiness, consistent with WTO criteria, have targets for the LAC region through 2010 which are based on significant improvement from the baseline data.

Evidence: 1) Joint State/USAID Strategic Plan for Fiscal Year 2004 to 2009. 2) USAID FY 2005 Annual Performance Budget, March 25, 2004. 3) LAC Bureau Approved Regional Indicators, May 14, 2004. 4) OU-level indicators - El Salvador Mission PMP as an example; ADS 203.3.5 for Agency Guidance on Data Quality Assessments. 5) Changes to indicators - PMP for El Salvador, SO 519-004. 6) ADS 203.33. 7) IG Audit of Data Quality for USAID/Guyana's Results Review and Resource Request. 8) IG Report, Data Quality for USAID/Panama SO for Canal Watershed Management.

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:13%

Explanation: USAID's performance management framework is structured around a limited number of challenging but achievable strategic objectives and goals (developed jointly with the Department of State), as well as DA performance goals, targets and indicators that are logically linked to the long-term joint goals and objectives which enables USAID to demonstrate progress toward achievement. The LAC Bureau measures their performance against this structure through a set of discrete, quantifiable, and measurable annual targets and contextual and performance indicators, which are monitored by the LAC Bureau and are reported each year in the annual reporting process. In the FY 2005 Annual Performance Budget, the LAC region also reports regional baselines and targets as a subset of the agency's common indicators.

Evidence: 1) Joint State/USAID Strategic Plan for Fiscal Year 2004 to 2009. 2) USAID FY 2005 Annual Performance Budget, March 25, 2004. 3) LAC Bureau Approved Regional Indicators, May 14, 2004. 4) OU-level indicators - El Salvador PMP as an example. 5) Draft 2005 Annual Reporting Guidance, Section I, Sub-section A, Item 5 (Page 6) and Guidance Annex VIII, Page 29.

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight:13%

Explanation: The DA program has documented baselines and ambitious targets for its performance measures. Development of targets was based on a review of OU-level indicators and targets for related strategic objectives. Some of these measures have been used in prior years at the OU level, some have not. This is the first year that USAID has developed regional performance measures, and this complements the achievements of the agency in the past year in developing agency-wide performance measures and targets.

Evidence: 1) Peru PMP and Strategy Illustrative Performance Measures (pg. 70 of Peru Strategy) as examples. 2) ADS 203.2, 203.3, 203.4 and 203.5 provide Agency Guidance on Performance Management and Data Quality, performance monitoring plans, performance monitoring, selecting performance indicators, and data quality. 3) El Salvador PMP, as an example. 4) LAC Bureau Approved Regional Indicators, May 14, 2004.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:13%

Explanation: At the OU-level, Strategic Objective Agreements (SOAGs) with host Governments outline the terms of agreement, including commitment to shared goals of USAID/LAC OUs and counterpart Ministries. Solicitation documents for contractors and grantees such as Request for Proposals (RFP), Request for Applications (RFA), or Annual Program Statements (APS) incorporate SO and/or program objectives. Respondents to the RFP or RFA need to articulate how they plan to contribute to the achievement of LAC Mission Strategic Objectives. The extent to which they would be able to help achieve these shared objectives and goals is incorporated in the technical merit criterion of the selection criteria. Grants and Contract Agreements incorporate or reflect these shared commitments to common goals, typically in the scope of work section. These commitments are likewise reflected in Contractors and Grantees annual work plans. By the terms and conditions of their agreements, contractors and grantees provide quarterly progress reports to OUs that document their results to date. USAID managers verify information in these reports through monitoring, site visits, and meetings. The information in the OU's PMP includes results reported and verified from contractors and grantees. All of these activities are designed and carried out to ensure that USAID partners commit to and work toward the annual and/or long-term goals of the program.

Evidence: 1) Sample SOAG. 2) ADS 350 guidance on SOAGs. 3) ADS 303.5.5 b and c provide Agency guidance on Evaluation Criteria for Grants. 4) Program Description of Brazil RFA. 5) Work Plan of Parks in Peril.6) RFA for Guatemala Income Generation.

Program: Development Assistance (LAC)

Agency: United States Agency for International Development

Bureau: Latin America and Caribbean (LAC) Bureau

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 13%

Explanation: Independent evalautions of sufficient scope and quality are conducted on a regular basis. Evaluations are intended to look at results achieved vs. targets/goals, program impact and effectiveness, and lessons learned among others. For example, in the past five years approximately 200 evaluations have been conducted for the LAC Bureau's programs, including DA-funded activities. A break-out of evaluations of DA-only activities is not available because evaluations are often cross-sectoral and activities can involve multiple funding sources. Evaluations can be internal, external, collaborative or participatory, and are generally done by entities outside of the LAC Bureau such as independent private firms not directly associated with the activity or program, the Inspector General Office, or USAID's Center for Development Information and Evaluation (CDIE). Mid-term, evaluation recommendations are used to introduce any course corrections and final evaluations are used to determine Bureau decisions on any further assistance to that technical sector. Situations that require evaluations include: input to inform a key management decision; performance data that indicate an unexpected result or finding which cannot be readily explained and therefore, need further analysis, customer or partner feedback that suggest there are implementation problems or unmet needs; the need to re-examine program sustainability; cost-effectiveness or relevance; and to identify lessons learned. One example of this is the July 2001 audit by the Inspector General Office to determine if USAID/Nicaragua's Water and Sanitation activities were on target. The audit concluded that the activities were on target with the exception of the construction of sewage pits. The Mission was advised to construct these pits or reprogram the money.

Evidence: 1) LAC list of evaluations, as compiled by USAID's Center for Development Information and Evaluation (CDIE). 2) Inspector General Audit Reports (see Bolivia Financial Operations audit as example). 3) ADS 203.3.6 provides Agency guidance on evaluations. 4) IG Audit of USAID/Nicaragua's Water and Sanitation Project July 25, 2001.

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO Question Weight: 13%

Explanation: At the regional level, USAID/LAC does not yet develop budget requests that are explicitly tied to accomplishment of annual and long-term performance goals. The framework of regional and common agency performance goals and targets is too new for the agency to be able to integrate this performance data into their strategic budgeting. OMB commends USAID for its efforts in developing a strategic budgeting model (which factors in performance data) to support the LAC (and all regional bureaus) in their budget formulation. At the level of the Operating Units (OUs) budget requests are linked somewhat to the Annual Report of the OU, which summarizes program progress toward each Strategic Objective of the OU. Furthermore, the Congressional Budget Justification summarizes program progress by Strategic Objective, for each individual OU, bu this is done in a qualitative, anecdotal manner, and the agency has not yet reached the stage of incorporating their more quantitative performance data into budget presentations. That said, the CBJ is otherwise a transparent and complete presentation of resource needs.

Evidence: 1) OU Annual Report (AR) - Guatemala as an example. 2) LAC Review of AR - Guatemala as an example. 3) FY 2005/2006 Bureau Program and Budget Submission (BPBS) Guidance issued by the Agency's Policy and Program Coordination Office. 4) Congressional Budget Justification (CBJ).

Program:	Development Assistance (LAC)
Agency:	United States Agency for International Development
Bureau:	Latin America and Caribbean (LAC) Bureau
Type(s):	Competitive Grant

Section Scores				**Rating**
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 13%

Explanation: USAID has taken extensive action to improve its strategic planning and budgeting processes and tools, and has made sufficient progress on its Budget and Performance Integration PMA scorecard to upgrade its status score to Yellow. For the LAC bureau on Development Assistance, this has resulted in improved linkage between joint State/USAID strategic objectives, strategic goals, performance goals, contextual and common performance indicators at the regional level, and annualized performance targets.

Evidence: 1) Joint State/USAID Strategic Plan for Fiscal Year 2004 to 2009. 2) USAID FY 2005 Annual Performance Budget, March 25, 2004. 3) LAC Bureau Approved Regional Indicators, May 14, 2004. 4) Agency FY 2003 Performance and Accountability Report. 5) Agency Guidance on Performance Management - specifically ADS 203.2 through 203.3.5. 6) LAC Timeline for Mission Program/Strategy Reviews. 7) Intensive Review memos - Jamaica and Haiti as samples. 8) AA Franco-Cronin Memo, re: Central America and Mexico Regional Strategy. 9) ADS 203.3.10 - Planning, pg. 39. 10) Draft 2005 Annual Reporting Guidance, Section I, Sub-section A, Item 5 (Page 6) and Guidance Annex VIII, Page 29.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 10%

Explanation: USAID regularly collects timely and credible performance information from key program partners. Funding recipients are required to manage, monitor, and report performance information on a regular basis. This information is submitted to OUs on a quarterly basis and feed into the Annual Report (AR) and PMP. OUs indicate in the AR the status of targets for DA. The LAC Bureau, in turn, reviews OU performance via the AR review process. When targets are not met, various options may be considered depending on the specific circumstances and issues involved: the contract or grant agreement may be modified, additional funds may be delayed or not provided, management changes may be introduced, discussions may take place with other partners (other donors or host-country) regarding their commitment, etc. If goals are exceeded the OU will decide whether to set new targets or to focus on other interventions. The AR review process in turn feeds into Bureau decisions about programming, budgeting, and staffing, among others. OUs indicate in the Annual Report whether targets for DA funded programs are met or exceeded. The LAC Bureau, in turn, reviews OU performance via the AR review process. When targets are not met, various options may be considered depending on the specific circumstances and issues involved: the contract or grant agreement may be modified, additional funds may be delayed or not provided, management changes may be introduced, discussions may take place with other partners (other donors or host-country) regarding their commitment, etc. The AR review process in turn feeds into Bureau decisions about programming, budgeting, and staffing, among others.

Evidence: 1) Operating Unit Annual Report (AR), with Guatemala AR as a sample. 2) LAC Bureau Review of Guatemala AR. 3) Operating Unit Performance Management Plan (PMP), with Ecuador as a sample. 4) USAID's ADS 202.3.6; USAID adherence to 22 CRR 226, "Administration of Assistance Awards to US Non-governmental Organizations," Section 226.51, "Monitoring and Reporting Program Performance"; ADS 303.7 Mandatory Reference for Grants. 5) Draft 2005 Annual Reporting Guidance, Section I, Sub-section A, Item 5 (Page 6) and Guidance Annex VIII, Page 29.

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 10%

Explanation: USAID federal managers and program partners are held accountable for cost, schedule, and performance results. A cognizant technical officer (CTO) is designated for each LAC activity to manage contractors and grantees. CTO responsibilities include, among others, the technical review and approval of vouchers, monitoring contractor/grantee performance and financial status, and overseeing sub-agreements. The Agency recently re-established a training program to certify CTOs responsible for managing contracts and grants. The courses are designed to provide CTOs with the basic skills and knowledge to effectively carry out the role of a CTO. Under USAID's personnel evaluation process, CTOs are evaluated for effective management of agreements, including the quality of technical guidance provided to contractors and grantees. The Agency also offers a course for CTO supervisors to enable them to more effectively provide on-the-job training and to better monitor and evaluate the performance of a CTO. Past performance of contractors and grantees is a criteria in the award. Institutional capability and past performance is 25% of the total selection criteria. Performance-based type of contracts and agreements are used to focus contractors on achievement of program results. Mid-term evaluations are also used to review performance to date and identify issues. An example is the August 2001 mid-term evaluation of Nicaragua's Diversification, Sustainability and Social marketing grant wherein program recommendations were outlined by an independent evaluator and carried out by the program partner.

Evidence: 1) CTO responsibilities as defined in ADS 300. 2) Brazil HIV/AIDS RFA, Guatemala G-CAP Performance-Based Statement of Work for its Health SO. 3) August 2001 mid-term evaluation of Nicaragua's Diversification, Sustainability and Social Marketing Grant. 4) Course description of CTO Certification Program. 5) Sample Request for Proposal: Dominican Republic RFP # 517-03-011, pg. 10.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 10%

Explanation: USAID funds are obligated in a timely manner and spent for the intended purpose. Obligations, among other financial data, are tracked via Phoenix, an Agency-wide accounting system. LAC/DA funds are provided on an incremental, as-needed basis, with specific amounts determined by the budget and final Operating Year Budget setting processes. Once funds are obligated, OUs and the LAC Bureau monitor disbursements over the life of the program. Based on Agency policy and LAC Bureau's analysis, an OU's program may not receive its full increment of funds in a subsequent year if it is determined that an unacceptable level of funds is still unspent (undisbursed). According to Agency policy, a program can only have unspent funds sufficient to cover expected disbursements for the next 12-18 months. Finally, all OUs are required to prepare procurement plans that outline planned procurements and obligations and help ensure that funds are spent in a timely manner and for the intended purpose.

Evidence: 1) Phoenix Flash report. 2) ADS 602 also provides specific Agency guidance regarding forward funding of programs. 3) LAC Regional Procurement Plan.

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES Question Weight:10%

Explanation: Mission Management Assessments (MMAs) recently undertaken by the LAC Bureau provide a systematic and comprehensive view of the Bureau's OUs as a basis for defining ways to improve operations and to help rationalize the allocation of scarce staff and operating expense (OE) resources. The results of the Mexico, Guatemala, Honduras and Nicaragua MMAs were taken into account during the development of the Central America and Mexico Regional strategy. Building upon favorable experience with regional hubs for service support, the Bureau has agreed to move toward one regional platform over time in Central America, which will be located in El Salvador. Consolidation of accounting functions in the Carribbean missions resulted in the reduction of five positions and a future annual cost reduction of approximately $60,000 in OE. The upgrade in Wide Area Renovation Plan communications capability througout the LAC region, coupled with Virtual Private Network technology, has facilitated secure and extremely rapid transmission of raw accounting and payment information from the serviced post to the regional center and back to the serviced post in the form of usable, almost real-time accounting information. As a result, El Salvador performs payment certification functions for Guatemala, resulting in the reduction of one position and a future annual cost savings of $70,000. Although the above examples demonstrate operational efficiencies, LAC does not have procedures to measure program efficiency in terms of program output or performance as required.LAC Bureau adheres to Federal regulations on competition.

Evidence: 1) ADS 300 provides the overall guidance on procurement including competitive procurements (ADS 302 for Contracts and 303 for Grants). 2) FAR for ADS 302 -Contracts and 22 CFR 226 for ADS 303 - Grants. 3) LAC FY 2005/2006 Bureau Program and Budget Submissions (BPBS) (pg. 26-29 for Management Improvements/Operational Efficiencies). USAID adheres to FAR for contract and to relevant CFR provisions and OMB Circulars for grants.

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 10%

Explanation: The program does collaborate and coordinate effectively with related programs. Most notably, the Department of State and USAID have recently developed joint goals at the Department/Agency level via the Joint State-USAID FY 2004-2009 Strategic Plan which formalize the relationship highlighted in 1.3. Historically, State and USAID have planned and implemented programs collaboratively at the country level via the MPP process, which will now influence the joint State/USAID Strategic Plan. Weekly country team meetings are held among USG agencies and regular coordination meetings with other donors in a country. In addition, the LAC Bureau and its OUs collaborate and coordinate with related programs in a leadership or participant role through a variety of mechanisms: close working collaboration with UN health organizations and PAHO, working arrangements with other Federal agencies such as CDC, and alliances with the private sector. Finally, the budget request process is a joint effort between State and USAID and is reflected in the FY 2005/2006 Bureau Program Budget Submission which will be the basis for an integrated budget that is submitted to the White House.State and USAID have joint goals at the Department/Agency level via the Joint State-USAID Strategic Plan and at the country level via the MPP. In addition, the LAC Bureau and its OUs collaborate and coordinate with related programs in a leadership or participant role through a variety of mechanisms: close working collaboration with State counterparts at the Bureau and country levels; memo of understanding with other Federal Agencies; 632, PASA or RSSA arrangements with other USG agencies; InterAgency working groups such as with the US Trade Representative on CAFTA issues; Consultative Group with other donor agencies. Finally, the Bureau actively seeks public-private partner alliances in common development areas. Once these relationships are established they are continued evaluated and monitored through the annual program review process.

Evidence: 1) State-USAID Strategic Plan. 2) Examples of MPPs - El Salvador, Honduras and Bolivia. 3) Example of public-private partner alliance: GDA alliance with the Gates Foundation. 4) Example of grant with PAHO. 5) FY 2005/2006 Bureau Program Budget Submission. 6) Joint Memo dated 9/28/00 from STATE/USAID on guidance and recommendation to improve cooperation and coordination between the agencies.

3.6 Does the program use strong financial management practices? Answer: NO Question Weight: 10%

Explanation: Through the Federal Managers Financial IntegrityAct (FMFIA)/Management Control Review Committee process, USAID ensures that resources are protected against fraud, waste and abuse and that they achieve the results for which funds were appropriated. The process requires each OU in the LAC Bureau to do a self-assessment of the adequacy of management controls in all areas of agency operations including program, administrative, and financial management. Each OU submits an FMFIA memo to the LAC Bureau, which in turn submits a Bureau memo to the USAID Administrator. LAC grants and contractors are also subject to audits. Currently, the Phoenix system is used for Washington accounting and the MACS system for field accounting, using two systems has created a disconnect between the two. USAID plans to roll out the Phonenix system to the field, which will resolve the outstanding problems. It is anticipated that a first LAC pilot Mission (USAID/Peru) may begin Phoenix operation in mid-FY 2004. Other pilot Missions will follow a few months later depending on the success of the first pilot. Once Phoneix is deployed to all missions, USAID anticipates getting a "yes" answer for this question.

Evidence: 1) Federal Manager's Financial Integrity Act (FMFIA) checklist. 2) OU completed FMFIA analysis, with Ecuador as an example. 3) LAC Bureau FMFIA memo to USAID Administrator dated October 29, 2002. 4) Report on Material Weaknesses - Guyana and Ecuador as examples. 5) Agency-wide guidelines for Recipient-contracted audits (RCA). The Agency's ADS 620 chapter provides the overarching accounting and financial reporting principles and standards for the Agency. 6) ADS 596 provides Agency guidance regarding the accountability and effectiveness of USAID's programs and operations by establishing, assessing, correcting, and reporting on management controls. These ADS chapters are based on regulations issued by Federal oversight agencies, including OMB, Treasury and GAO.

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 10%

Explanation: The program has taken meaningful steps to address management deficiencies. For example, the FMFIA process requires each OU in the LAC Bureau to do a self-assessment of the adequacy of financial management controls in all areas of agency operations, including management of program assistance. Each OU submits an FMFIA memo to the LAC Bureau, which in turn submits a Bureau memo to the USAID Administrator. At the OU level, LAC missions address deficiencies or weaknesses that could appropriately be resolved at that level. Any significant deficiency or material weakness (whether new or unresolved from previous FMFIA reviews) is reported to the LAC Bureau and included in the Bureau FMFIA memo to the Administrator. Steps for resolving the weakness are identified and a date proposed by which the weakness or deficiency will be corrected. In 2002, missions were also specifically requested to complete an information system security checklist, as part of the FMFIA process. The LAC Bureau has also recently undertaken management assessments of its OUs. Six assessments have been completed since May 2002. The results of the Mexico, Guatemala, Honduras and Nicaragua management assessments were taken into account during the development of the Central America and Mexico (CAM) Regional strategy. The assessments have helped define ways to improve Bureau operations, such as consolidating accounting functions in regional hubs, resulting in significant savings. The El Salvador mission is poised to serve as the Central America regional hub and will provide support services for a number of missions in the region.

Evidence: 1) ADS 620, FMFIA checklist. 2) OU completed FMFIA analysis- with Ecuador as a sample. 3) LAC Bureau FMFIA memo to USAID Administrator, dated October 29, 2002. 4) Report on Material Weaknesses - Guyana and Ecuador as samples. 5) LAC FY 2005 BPBS (pg. 26-29 for Management Improvements/Operational Efficiencies).

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?** Answer: NO Question Weight: 10%

Explanation: LAC Bureau contracts and grants are awarded competitively, except where supported by documentation approved by officials with authority to approve non-competitive awards. For example, in FY 2002 $78.8 million of new assistance in LAC were awarded competitively including a qualified assessment of merit, out of a total of $104.7 million (about 75%). Decisions on grant and contract awards are properly documented (via selection memos, memos of negotiation, etc.). USAID Washington (via the Office of Procurement) reviews and provides oversight to ensure LAC adherence to Federal regulations and Agency guidance on competition.

Evidence: 1) ADS 303.5 for Grants and CBD notices for Contracts. 2) ADS 202.3.9 provides guidance on ensuring procurement integrity and ethics.

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight: 10%

Explanation: The LAC program has oversight practices that provide sufficient knowledge of grantee activities. For example, a Cognizant Technical Officer (CTO) is designated for each program to manage contractors and grantees. CTO responsibilities include, among others, technical review and approval of vouchers, monitoring contractor/grantee performance and financial pipelines, and overseeing sub-awards. The Activity Manager and the SO Team Leader, who may or may not be the CTOs, also provide oversight. In addition, mission management is kept informed of program performance, progress, and issues via periodic portfolio reviews, staff meetings, etc. The LAC Bureau, in turn, is informed via the Annual Review process. The OU Agreement Officer is the mandatory control point of record for all official communications and contacts with the recipient that may affect the award budget, the program description or any terms and conditions of the award. Audits per OMB Circular A-133 or recipient-contracted audits are also conducted as required by policy or regulation.

Evidence: 1) Cognizant Technical Officer (CTO) responsibilities as provided in ADS 303.3 for Grants and ADS 302.3 for Contracts. 2) Recipient-Contracted Audit guidelines. 3) USAID FY 2003 Performance and Accountability Report.

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 10%

Explanation: The LAC Bureau collects grantee performance data and makes it available to the public. In preparing USAID's reporting documents, the data supplied by the various grantees and contractors are utilized to support LAC Bureau's analysis and program descriptions. Disclosure to the public is done in a number of different ways. For example, the USAID FY 2003 Performance and Accountability Report discloses program information at the Agency level. The CBJ (available on the USAID web site) provides specific information to the public on LAC programs including information on SO performance and results, by OU. The CBJ also indicates the various grantees and contractors working in the different SOs. USAID's Center for Development Information and Evaluation (CDIE), via the Development Experience Clearinghouse (DEC), makes some evaluations of specific programs available to the public.

Evidence: 1) USAID FY 2003 Performance and Accountability Report. 2) CBJ. 3) Program/Activity evaluations.

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight: 20%

Explanation: At the regional level, the LAC Bureau's long-term and annual performance measures for DA programs are new. These measures are supplemented by country-level indicators which are contained in OU Performance Monitoring Plans (PMPs). Through review of the history of OU performance, there is sufficient evidence for this review to give a "small extent" rating that the program is on-track to meet its long-term performance goals, including the "top level" strategic goals/objectives within the joint State/AID Strategic Plan. For FY 2003, 93% of the strategic objectives USAID was required to report on met or exceeded their targets. USAID also met the target in the FY 2003 Annual Performance Plan of 90% of strategic objectives met or exceeded.

Evidence: 1) Joint State/USAID Strategic Plan for Fiscal Year 2004 to 2009. 2) USAID FY 2005 Annual Performance Budget, March 25, 2004. 3) LAC Bureau Approved Regional Indicators, May 14, 2004. 4) Agency FY 2003 Performance and Accountability Report. 5) Examples of PMP and Annual Report: El Salvador PMP, Guatemala AR. 6) Draft 2005 Annual Reporting Guidance, Section I, Sub-section A, Item 5 (Page 6) and Guidance Annex VIII, Page 29.

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight20%

Explanation: At the regional level, the LAC Bureau's long-term and annual performance measures for DA programs are new. These measures are supplemented by country-level indicators which are contained in OU Performance Monitoring Plans (PMPs). Through review of the history of OU performance, there is sufficient evidence for this review to give a "small extent" rating that the program is on-track to meet its annual performance goals, including the "top level" strategic goals/objectives within the joint State/AID Strategic Plan. For FY 2003, 93% of the strategic objectives USAID was required to report on met or exceeded their targets. USAID also met the target in the FY 2003 Annual Performance Plan of 90% of strategic objectives met or exceeded.

Evidence: 1) Joint State/USAID Strategic Plan for Fiscal Year 2004 to 2009. 2) USAID FY 2005 Annual Performance Budget, March 25, 2004. 3) LAC Bureau Approved Regional Indicators, May 14, 2004.4) Examples of PMP and Annual Report: El Salvador PMP, Guatemala AR. 5) USAID FY 2003 Performance and Accountability Report.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight20%

Explanation: The LAC program has demonstrated improved efficiencies and cost effectiveness in achieving program goals each year. For example, improvements in technology and consolidation of accounting functions have resulted in major savings. In the Caribbean, results include five less staff positions and an annual OE cost reduction of approximately $60,000. In Guatemala, a reduction of one position meant savings of $70,000 as El Salvador (already poised as a regional support center) assumed payment certification functions. The mission management assessments (MMAs) conducted by LAC since May 2002 provide a systematic and comprehensive view of the Bureau's overseas OUs as a basis for defining ways to improve Bureau operations, and to help rationalize the allocation of scarce staff and operating expense resources. The results of the Mexico, Guatemala, Honduras and Nicaragua MMAs have already been taken into account during the development of the Central America and Mexico Regional strategy. Improvements in technology and consolidation of accounting functions have resulted in major savings.

Evidence: 1) LAC FY 2005/2006 BPBS (pg. 26-29 for Management Improvements/Operational Efficiencies). 2) CTO responsibilities as provided in ADS 303.3 for Grants and ADS 302.3 for Contracts. 3) Guyana and Ecuador FMFIA reports. 4) LAC Bureau's FMFIA memo dated October 29, 2002.

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: YES

Question Weight20%

Explanation: The performance of the LAC/DA program compares favorably to other programs with similar purposes and goals. Because of its field presence and flexible programming, USAID is often cited by other donors and host governments for its ability to respond quickly, for both disaster assistance and standard international assistance, and for its leadership of country program coordination with other donors. For example, in 2001, the Government of Honduras prepared its Poverty Reduction Strategy Paper (PRSP) in response to the World Bank and the International Monetary Fund's highly indebted poor country (HIPC) initiative. USAID was widely credited for its leadership role among the donors. USAID programming decisions and experience also heavily influenced Nicaragua's PRSP and USAID's involvement facilitated public discussion and debate to a degree that would not have occurred in the past.

Evidence: 1) LAC consultations with the World Bank and IDB on Country Assistance Strategies for Honduras, Bolivia, Nicaragua, and Ecuador, May 2002. 2) Evaluation Brief Number 5, March 2003: USAID's Approach to Poverty Reduction - The Case of Honduras (pg. 7-8). 3) April 24, 2003 letter from Asst. US Trade Representative for Intergovernmental Affairs and Public Liaison Christopher Padilla to USAID G-CAP Deputy Director regarding CAFTA (Central America Free Trade Agreement). 4) Press releases from:a. Washington Post Foreign Service on USAID earthquake reconstruction assistance in El Salvador;b. Tea and Coffee Trade Journal on USAID assistance for coffee growers.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: LARGE EXTENT

Question Weight20%

Explanation: Independent evaluations have shown that DA programs are achieving results to a large extent as defined by the goals for the specific program or strategic objective. Independent evaluation have been conducted at the OU/Mission level for sector specific or strategic objectives. These evaluations are done by independent consultants, IG or GAO and are of sufficient scope and quality to determine that LAC Mission programs are accomplishing or have achieved their program goals.

Evidence: 1) LAC list of evaluations, as compiled by CDIE. 2) USAID's Approach to Poverty Reduction - The Case of Honduras: http://cdie.usaid.gov/pdf_docs/PNACR351.pdf.

PART Performance Measurements

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

Measure: U.S. Dollar (USD) value of loans provided as a result of USAID assistance (historically disadvantaged groups)

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	Baseline	$281m
2004	$300m	
2005	$302.5m	
2006	$305m	

Measure: Number of teachers trained in the Centers for Excellence and Teacher Training (cumulative).

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	Baseline	2,250
2004	4,750	
2005	7,750	
2006	9,200	

Measure: Hectares under sustainable forest management.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	Baseline	17.3m
2004	19m	

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

Year	Target	Actual
2005	20m	
2006	20.5m	

Measure: Number of people in target areas with improved access to adequate safe water supply and/or sanitation that meets sustainability standards.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	Baseline	825,147
2004	850,000	
2005	875,000	
2006	900,000	

Measure: Ratio of the Strategic Objective (SO) cost to SO Program Dollars

Additional Information: Econ Growth

Measure Term: Annual

Year	Target	Actual
2003	Baseline	.19
2004	.44	
2005	.41	
2006	UD	

PART Performance Measurements

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

Measure: Improved trade readiness (i.e., complying with WTO standards and protocols for production and export) of LAC presence countries, as measured by country exports as a percentage of GDP.

Additional Information:

Measure Term: Long-term

Year	Target	Actual
2003	Baseline	21%
2006	22%	
2010	23%	

Measure: Ratio of the Strategic Objective (SO) cost to SO Program Dollars

Additional Information: Democracy & Governance

Measure Term: Annual

Year	Target	Actual
2003	Baseline	.11
2004	.19	
2005	.18	

Measure: Percent of responding Operating Units whose programs have resulted in citizens' concerns being effectively represented at the national and local levels.

Additional Information: Measures adopted to develop transparent and accountable democratic institutions, laws, and economic and political processes and practices.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	86%
2004	90%	
2005	90%	
2006	91%	

PART Performance Measurements

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

Measure: Number of firms directly participating in USAID-sponsored activities to strengthen their competitiveness and productivity.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	Baseline	11,872
2004	12,000	
2005	15,000	
2006	18,000	

Measure: Number of loans provided as a result of USAID assistance (to historically disadvantaged groups).

Additional Information: Institutions, laws, and policies foster private sector-led growth, macroeconomic stability, and poverty reduction.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	491,022
2004	500,000	
2005	500,500	
2006	505,000	

Measure: Primary education completion rates - percentage of children who have successfully completed primary school.

Additional Information: The ratio of the total number of students successfully completing (or graduating from) the last year of primary school in a given year to the total number of children of official graduation age in the population. The numerator may include overage children who have repeated one or more grades of primary school but are now graduating successfully. For countries where the number of primary graduates is not reported, a proxy primary completion rate is calculated as the ratio of the total number of students in the final year of primary school, minus the number of students who repeat the grade in a typical year, to the total number of children of official graduation age in the population.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	80.3%

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	80%	60%	Effective

2004	81.6%	
2005	82.8%	
2006	83.3%	

Measure: Hectares under approved management for biodiversity conservation.

Additional Information: An environmental management plan represents a framework around which a range of approaches have been adopted or identified that are meant to preserve, protect or restore resources in a selected geographic setting. Approved is defined as a formal agreement by representatives of the government (whether local, regional, or central) as well as by other stakeholders within the watershed, or an informal agreement by stakeholders within a critical watershed. The number of hectares includes those that are documented in the management plan (e.g., the specific area measured in hectares covered by the plan).

Measure Term: Annual

Year	Target	Actual
2003	Baseline	13,817,089
2004	14,000,000	
2005	15,000,000	
2006	15,700,000	

Measure: Percentage of LAC USAID-supported Millennium Challenge Account (MCA) candidate countries that pass at least one-half of the indicators in the "Ruling Justly" policy category, and above the median on the corruption indicator.

Additional Information: MCA candidate countries are determined according to income levels, as published by the World Bank. The following are the categories against which countries are judged in this sector, along with the data source: Civil Liberties (Freedom House); Political Rights (Freedom House); Voice and Vote (World Bank Institute); Government Effectiveness (World Bank Institute); Rule of Law (World Bank Institute); and Control of Corruption (World Bank Institute).

Measure Term: Long-term

Year	Target	Actual
2004	Baseline	60%
2006	70%	
2008	80%	
2010	90%	

PART Performance Measurements

Program: Development Assistance (LAC)
Agency: United States Agency for International Development
Bureau: Latin America and Caribbean (LAC) Bureau
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	80%	60%	

Measure: Number of people (cumulative) trained to implement trade agreements (CAFTA and new FTAs)

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	Baseline	27,922
2004	58,000	
2005	70,000	
2006	75,000	

OMB Program Assessment Rating Tool (PART)

Credit Programs

Name of Program: Export Import Bank - Long Term Guarantees

Section I: Program Purpose & Design (Yes, No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Is the program purpose clear?*	Yes	Ex-Im Bank's Charter states that "the objects and purposes of the bank shall be to aid in financing and to facilitate the exports of goods and services...between the United States...and any foreign country or the agencies or nationals thereof" and that "The bank shall, in cooperation with the export financing instrumentalities of other governments, seek to minimize competition in government-supported export financing..." The Long-Term (L-T) guarantee helps Ex-Im Bank achieve this mission by providing repayment protection for private sector loans to creditworthy buyers of U.S. exports. The guarantee allows Ex-Im Bank to match officially supported foreign competition or to act as a lender of last resort to maximize support for US exports and contribute to the promotion and maintenance of US jobs.	The Export-Import Bank Act of 1945, as amended.	20%	0.2

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
2	*Does the program address a specific interest, problem or need?*	Yes	Ex-Im Bank' s L-T guarantee is used to aggressively match financing offers from foreign, officially supported Export Credit Agencies (ECAs) or to fill private sector financing gaps/address market failures to support US exports and jobs. The L-T guarantee product allows the Bank to accomplish this mission without crowding out private sector sources of financing. It is true that due to successful OECD arrangements, such as the completion of the Commercial Interest Reference Rates (CIRR) system and the floor set on exposure fees, demand for ECA financing has remained constant in recent years and represents a declining percentage of total exports. However, the L-T guarantee has become more relevant to the market in recent years, as the various global financial crises that have arisen since 1997 have diminished the willingness of commercial banks to accept emerging market risk without guarantees from ECAs or multilateral financial institutions.	Overall ECA financing has remained fairly stable over the past five years - between 1995 and 2000, ECA financing among the G7 countries decreased by -1.66 percent while at the same time overall merchandising exports from developed countries increased by 16.34 percent. According to the International Institute of Finance, net commercial bank lending (disbursements minus repayments-excluding ECA guarantees) to emerging markets averaged $38 billion per year between 1979 and 1984. This figure dropped to $-.3 billion during the Latin American debt crisis 1985-1990 and rebounded to $56 billion during the period 1991-7. The Asian debt crisis marked the beginning of the current period in which repayments outstripped new disbursements by an average of $40 billion per year from 1998-01. During the Asian debt crisis, Ex-Im Bank supported authorizations increased from $1.5 B in 1998 to $3.1 B in 1999, $3.0 B in 2000 and with the easing of the crisis, Ex-Im Bank authorizations began to decrease with $1.8 B in 2001and approximately $1.2 B in 2002.	20%	0.2

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	*Is the program designed to have a significant impact in addressing the interest, problem or need?*	Yes	Ex-Im Bank' s L-T guarantee is used to aggressively match financing offers from foreign, officially supported Export Credit Agencies (ECAs) or to fill private sector financing gaps/address market failures to support US exports and jobs. Although Ex-Im Bank authorizations only represent one to three percent of total U.S. exports that would not have occurred but for Ex-Im Bank financing (known as "additionality"), they represent a significant portion of overall exports to selected emerging markets. In these markets (i.e., China, Indonesia, Russia, Turkey) Ex-Im Bank-financed exports represent from 19 to 37 percent of total U.S. exports.	By providing a 100% principal and interest guarantee product, as well as working within the OECD ECA guidelines to provide financing that is competitive in terms of all-in-cost and cover policy, the Bank has been able to make a significant impact in addressing official foreign competition and lack of private sector financing.	20%	0.2

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?*	Yes	Ex-Im Bank is the only USG trade agency that offers a L-T guarantee product to match foreign officially-supported competition or to fill financing gaps as a lender of last resort to support U.S. exports and thereby promote and maintain U.S. jobs. The private sector - both exporters and banks utilize Ex-Im Bank to either counter foreign ECA competition or to fill financing gaps.	Other USG trade and investment agencies have different missions and offer different types of products, as noted on their websites: www.opic.gov, www.sba.gov, www.tda.gov. For Ex-Im Bank's L-T guarantee aircraft transactions approximately 90 percent of these deals counter foreign ECA financing support for Airbus. As of July 21 2002, over 80 percent of Aircraft transactions were in better risk markets (BCL 4 or better). This is indicative of matching foreign ECA competition. As discussed earlier, Ex-Im Bank authorizations represent a high percentage of exports to emerging markets (due to unwillingness of commercial sector to lend in such markets) which increases significantly during times of crisis. Although, Ex-Im Bank authorizations represent a small portion of total U.S. exports (one to three percent), they represent a significant portion of overall exports to selected emerging markets. In these markets (i.e., Angola, China, Indonesia, Russia, Turkey) Ex-Im Bank financed exports represent from 19 to 37 percent of total U.S. exports.	20%	0.2

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
5	*Is the program optimally designed to address the interest, problem or need?*	Yes	Ex-Im Bank's L-T guarantee has traditionally been viewed as a strong product for three principle reasons: 1) it is a guarantee, versus the conditional insurance product offered by most other ECAs; 2) it is designed to fill financing gaps without crowding out private sector sources of finance; and 3) it optimally leverages tax payer dollars. Due to changes in the ECA competitive landscape and the export credit market, Ex-Im Bank continually strives to ensure that its L-T guarantee continues to add optimal value to the marketplace by adopting modifications as deemed necessary.	Internal policy reviews revealed that Ex-Im Bank's Local Cost, Foreign Content, and Co-Financing policies left Ex-Im Bank at a competitive disadvantage vis-a-vis its competitors. As a result, Ex-Im Bank reworked these policies so as to make them more responsive to market conditions and approved these changes in January 2001. Refer to: FY 00, 01 Annual Performance Plans, FY01 Annual Report, FY01 Annual Performance Report, FY01 Competitiveness Report.	20%	0.2
Total Section Score					**100%**	**100%**

Section II: Strategic Planning (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?*	Yes	Ex-Im Bank has committed to using the L-T guarantee product to meet two long-term strategic goals that suport the program's mission of matching officially supported foreign competitors and acting as lender of last resort.	Ex-Im Bank's FY 01-06 Strategic Plan highlights these two strategic goals: (1) For qualified transactions, aggressively match financing offers from foreign, officially supported competitors; (2) To provide financing support for high risk countries/markets seeking U.S. qualified exports for which private market financing is not available.	14%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
2	*Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?*	Yes	In support of its first annual performance goal to finance guarantee transactions that face foreign competition (see Evidence), Ex-Im Bank tries to assess whether a transaction faces competition. However, with its second annual performance goal (see Evidence), Ex-Im Bank does not adequately demonstrate why achieving 60% (versus some other percentage) of L-T transactions involving high-risk markets or high-risk customers is chosen to measure their second strategic goal of acting as lender of last resort. OMB and Ex-Im Bank agree to work towards strengthening this measure of additionality.	The FY02 Annual Performance Goals for the L-T guarantee are as follows: (1) In FY 2002, provide financing which meets confirmed competition on qualified loan and guarantee transactions; (2) In FY 2001 and FY 2002, 60% of all long-term loan and guarantee transactions (by number) will involve high-risk markets or high-risk customers so as to ensure that the Ex-Im Bank L-T guarantee program focuses on the Bank's role as a lender of last resort.	14%	0.1
3	*Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?*	Yes	At the time they apply for support, Ex-Im Bank's customers (i.e., banks, exporters, borrowers) must indicate that their request for financing fulfills one of Ex-Im Bank's long-term strategic goals. The customers, however, are not required to provide any additional evidence of said competition or of their inability to obtain private financing. OMB will work with Ex-Im Bank to strengthen the Bank's process of determining the private market appetite for financing and the existence of competitive offers from other ECA's.	Ex-Im Bank L-T Guarantee Application requires that the exporter indicate that Ex-Im Bank support is necessary for the transaction to proceed in order to meet foreign ECA competition or due to limited availablity of private financing. In the presentations to the Ex-Im Bank Board, staff must demonstrate that each L-T guarantee transaction meets this "additionality" test. To make this determination on additionality, staff uses the information from the application and their own knowledge and experience of the private market appetite for financing and the existence of competitive offers from other ECA's.	14%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?*	Yes	Ex-Im Bank coordinates with related programs. The Bank works through the Trade Promotion and Coordination Committee (TPCC) to coordinate effectively with other USG programs. The TPCC was established under the Export Enhancement Act of 1992 to provide a unifying framework to coordinate the export promotion and export financing activities of the USG and to develop a government-wide strategic plan for carrying out such programs. The Bank also collaborates with USAID on the SEED (Support for East European Democracy Act) program, cofinances with OPIC, meets regularly with TDA regional directors, Treasury on OECD ECA negotiations and State on Paris Club issues.	TPCC National Export Strategy Report, 2002. Ex-Im Bank collaborates with OPIC on approximately 28 percent of current project financing transactions. These cofinanced transactions, with Ex-Im and OPIC sharing resources and costs (independent engineers and outside counsels), represent 9 of 32 projects. During OECD negotiations, the Bank works with Treasury to level trade finance terms among the ECAs. During the past ten years, multiple OECD Arrangements have established maximum tenor and minimum fees for L-T guarantee transactions.	14%	0.1
5	*Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?*	No	In FY00, Ex-Im Bank began participating in the American Customer Satisfaction Index (ACSI), an annual survey that uses survey and modeling methodology to isolate factors that have the highest impact on satisfaction. The ACSI is produced through a partnership between the National Quality Research Center at the University of Michigan Business School, the American Society for Quality, and Arthur Andersen. Ex-Im Bank received valuable feedback on the performance of its L-T guarantee program from this survey in FY00 and FY01. ACSI, however, does not evaluate Ex-Im Bank's effectiveness with respect to achieving any of its long term or annual performance goals. In addition, while not independent, the Competitiveness Report, produced by the Bank's Policy and Planning Group does indicate that the Bank has been effective in matching foreign ECA financing.	ACSI Reports, FY00 and FY01; FY 00 and FY01 Competitiveness Report.	14%	0.0

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
6	*Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?*	Yes	Ex-Im Bank's calculation of their annual subsidy appropriations is based on an estimation of demand for their L-T guarantees and their estimation of risk of these transactions. As a result, a reduction in the program budget would reduce the dollar value of the transactions that the Bank could potentially support thereby possibly reducing the Bank's ability to meet its long-term goals.	Ex-Im Bank forecasts demand based on a careful and comprehensive analysis of its customers. For L-T guarantees, the demand is forecasted from projects currently in the pipeline and expected exports requiring Bank financing. Proj. finance and aircraft transactions represent 70-80% of total L-T transactions (FY2000/1Data). Given the time requirements for project finance transactions (8–14 months), the Bank uses transactions in the pipeline to accurately forecast demand. For aircraft transactions, the Bank works with US aircraft manufacturers to develop demand forcasts. US aircraft manufacturers share their multi-year production/delivery schedule with the Bank so the Bank can then identify potential customers for Ex-Im financing support based on staff experience. The Bank also factors in a projected increase in global economic demand, withdrawal of private capital from specific markets, and value of the U.S. dollar compared to the other major currencies. With this estimated demand, the Bank calculates the required subsidy using the appropriate risk premia provided by OMB.	14%	0.1
7	*Has the program taken meaningful steps to address its strategic planning deficiencies?*	Yes	Ex-Im Bank has developed a GPRA process that serves as a strategic planning tool. For example, as part of the GPRA process, Ex-Im Bank sets a performance goal to increase the proportion of high risk L-T loan and guarantee transactions to ensure that the guarantee program focused on its mandate to act as a lender of last resort. Ex-Im Bank, however, has yet to demonstrate why the Bank has settled on 60% as an adequate measure of performance.	FY01-06 Strategic Plan, FY99, 00, and 01 Annual Performance Reports, FY00 and 01 Annual Performance Plans.	14%	0.1
Total Section Score					**100%**	**86%**

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score

Section III: Program Management (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?*	Yes	The Ex-Im Bank regularly collects key information on L-T guarantees in order to manage the program. The Bank uses both a weekly status report and monthly Financial Highlights report. In addition, the Bank regularly meets with a wide variety of individual corporations and interest groups, including the Bankers Association of Foreign Trade (BAFT) and the Coalition for Employment Through Exports (CEE), to solicit input on programs and products. Finally, the Bank is mandated by Congress to publish the annual Competitiveness Report, which surveys users of Bank programs and other ECAs in an effort to benchmark Bank's competitive stance vis-a-vis other ECAs.	The weekly status report lists actual cases and potential cases for the rest of the fiscal year. Managers use this report to project L-T guarantee transactions and monitor loan officer progress on specific transactions. The monthly financial hightlights report provides significant detail on L-T guarantees - forecasts with actual and yearly comparisons. The annual Competitiveness Report has consistently shown that the Bank is competitive vis-a-vis other ECAs, especially in terms of all-in-cost and cover policy.	10%	0.1
2	*Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?*	Yes	On the management aspect, all Ex-Im Bank managers are required to undergo annual performance reviews. Regarding program partners, the L-T guarantee program lenders for project finance and aircraft are held accountable for cost, schedule and performance results.	Ex-Im Bank managers are evaluated through annual Human Resources Performance appraisals. Managers are graded under the following areas-results, leadership, resource management, individual skills & customer services. Ex-Im Bank controls the timing and amounts of disbursements under the L-T guarantee program. For example, for project finance transactions, the major contractor must certify that the project has met specific milestones (based upon percentage of completion) to receive payments. In FY01, Ex-Im Bank authorized 13 aircraft transactions with an average of $197M per transaction and 15 proj. finance transactions with an average of $141M per transaction.	10%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	*Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?*	Yes	Ex-Im Bank has two primary accounts - Administrative Expenses and Program Budget. Each is separate and distinct. Ex-Im Bank does not shift funds from one account to the other. Both accounts are obligated and expended under appropriate timeframes. Administrative Expenses is a 1-yr appropriation. The Program budget is a 4-yr appropriation - reflecting OMB and Congressional understanding for flexibility to obligate funds for complicated transactions in a timely manner.	Ex-Im Bank follows current Federal Law and apportions funds with OMB and Treasury. In FY 2001, Ex-Im obligated 99.7 percent of appropriated Administrative funds by the end of the fiscal year. Ex-Im Bank calculates estimated program budget for each L-T guarantee transaction once approved by the Board of Directors. These calculations are completed within one business day of approval with funding obligated at that time. Each transaction has an expiry date, and shipments must be completed before said date. In addition each guaranteed lender must submit disbursement documents to Ex-Im Bank to obtain the Ex-Im Bank guarantee on that disbursement.	10%	0.1
4	*Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?*	Yes	For the L-T guarantee program, Ex-Im Bank established procedures to achieve efficiencies and cost effectiveness. The project finance division is a prime example. Ex-Im Bank established this office with limited staff - 5 staff. Through the use of outside financial and legal advisors that were hired on a competitve basis and compensated by the project sponsors, the Bank was able to leverage resources and authorize approximately $2 billion in annual transactions. The advisers are essential to the timely processing of these complex transactions.	Internal studies have demonstrated that the use of outside advisers has saved Ex-Im Bank thousands of staff hours per transaction. To accomplish the same amount of work without outside help would require additional FTEs. Project Finance Magazine recognized Ex-Im Bank as the Best Project Finance ECA 1999; and has also specifically recognized individual transactions: Asia Pacific Power Deal of the Year 2001; Latin Americna Merchant Deal of the Year 2001; and European Power Deal of the Year 2001.	10%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
5	*Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?*	Yes	Ex-Im Bank develops a cost breakdown for all Administrative and Program Budget costs for L-T guarantee programs.	Each fiscal year, the Bank receives an Administrative and Program Budget appropriation from Congress. The Program Budget reflects the subsidy for all transactions. The Budget provides significant detail of these proposed transactions including a separate line for L-T guarantees. In terms of the Administrative Budget, Ex-Im Bank breaks out specific costs for L-T guarantees and estimates shared costs for this program on an annual basis. Over time FTEs for L-T guarantees have been adjusted to reflect changing authorizations levels.	10%	0.1
6	*Does the program use strong financial management practices?*	Yes	Ex-Im Bank supports independent accountants to conduct an audit of financial position and internal controls. The Audit from PWC stated that "results of its operations and its cash flows…ended in confromity with accounting principles generally accepted in the United States of America."	In FY 2001, Ex-Im Bank received a clean audit statement - first in the USG (Oct 12, 2001) for the fiscal year.	10%	0.1
7	*Has the program taken meaningful steps to address its management deficiencies?*	Yes	Ex-Im Bank staff constantly interfaces with its stakeholders to receive feedback on management deficiencies. As a result of this process, the L-T guarantee program will be reorganized.	Ex-Im Bank has developed a reorganization plan that will result in three new divisions: i) a unified Export Finance group devoted to managing transaction relationships across all Ex-Im Bank financing products, ii) an independent Credit and Risk Management group to provide consistent credit standards and oversight, and iii) a Communications group encompassing existing public affairs and marketing functions. These changes will be effective October 1, 2002. This reorganization is designed to allow Ex-Im Bank to become more market focused and customer driven while enhancing risk management.	10%	0.1

Questions		Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
8 (Cr 1.)	*Is the program managed on an ongoing basis to assure credit quality remains sound, collections and disbursements are timely and reporting requirements are fulfilled?*	Yes	These functions are split between Ex-Im Bank's Asset Management Division and Credit Review and Operations Division. CR&O is responsible for credit quality assurance and timely disbursements. AMD is responsible for managing and reporting on claim and recovery efforts.	Ex-Im Bank Quarterly Portfolio Reports. The Report highlights "Portfolio Exposure", "Loss Reserves" and Troubled Assets" in an organized and detailed fashion. The graphical representation of portfolio change over time as well as those that detail the different types of risk.	10%	0.1
9 (Cr 2.)	*Does the program consistently meet the requirements of the Federal Credit Reform Act of 1990, the Debt Collection Improvement Act and applicable guidance under OMB Circulars A-1, A-34, and A-129?*	Yes	Ex-Im Bank consistently meets the relevant credit acts and guidance. Since Credit Reform all loans, guarantees and insurance are placed on an equal footing; only the estimated program budget cost is scored as Budget Authority and is scored for all programs at the time of commitment	Ex-Im Bank meets the deadline provided by OMB for apportionment, outlay plans and quarterly budget execution plans. The independent accountants also include in their annual audit a review of the relevant credit laws and guidance to ensure that the Bank is meeting these requirements. The accountants provided a clean audit in FY 2001.	10%	0.1
10 (Cr 3.)	*Is the risk of the program to the U.S. Government measured effectively?*	Yes	Ex-Im Bank conducts an annual re-estimate of the Bank's portfolio. Using the most recent premia from OMB, the Bank will re-estimate the reserves required for L-T guarantees.	The independent accountants (for the audit) analyze the methodology for the annual re-estimation of reserves required. In FY 2001, the accountants provided a clean audit	10%	0.1
Total Section Score					**100%**	**100%**

Section IV: Program Results (Yes, Large Extent, Small Extent, No)

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?*	Large Extent	Ex-Im Bank has not adequately demonstrated that the L-T guarantee program has met both of its long term goals. Data from the annual Competitiveness Report does reveal that Ex-Im Bank has met its first strategic goal, but Ex-Im has not adequately demonstrated that its financing meets its goal of "additionality". Given that approximately 50 - 70 percent of the Bank's L-T transactions are intended to counter foreign ECA financing first strategic goal, the Bank received a score of Large Extent.	As cited in the Competiveness Report, Ex-Im Bank provides a competitive all-in rate on non-sovereign transactions among the G-7 ECAs. In both FY 2000 and FY 2001, Ex-Im Bank's L-T guarantee program fully met its objectives and no authorized L-T guarantee transactions were lost to foreign competition. Over the past five fiscal years, Ex-Im Bank authorized @ $57.6 billion, $30.7 billion of which was L-T guarantees. L-T guarantee authorizations have on average accounted for over 50% of Ex-Im Bank total authorizations during this same period. Ex-Im Bank makes very good use of its Congressionally appropriated funds; for all its programs, Ex-Im Bank returns an average of $18 of export value for every $1 appropriated by the US Congress. Although, Ex-Im Bank authorizations represent a small portion of total U.S. exports (1- 3 percent), they represent a significant portion of overall exports to selected emerging markets.	25%	0.2

Long-Term Goal I:	Offer financing to foreign buyers of U.S. exports competitive with financing from foreign, officially supported, competitors
Target:	Provide a competitive all-in rate on non-sovereign transactions among the G-7 ECAs
Actual Progress achieved toward goal:	In CY 2001, Ex-Im Bank provided competitive all-in cost rates on non-sovereign transactions among the G7 ECAs. In terms of fees, Ex-Im Bank charges have a smaller average surcharge for non-sovereign transactions among a majority of the G7 ECAs. Only one G7 ECA has an average surcharge below Ex-Im Bank. Ex-Im Bank also has less coverage restrictions among the G7 ECAs. With these two factors, Ex-Im Bank is virtually always lower in cost and open in more markets than the G7 ECAs. Under the L-T guarantee aircraft program from 1996 to 2001, Ex-Im Bank financed approximately 25 percent of all Boeing delivered aircraft for export.

Long-Term Goal II:	Offer financing to foreign buyers of U.S. exports that can not obtain private financing.
Target:	Support qualified and creditworthy transactions that would have been unable to purchase U.S. exports without Ex-Im Bank financing.
Actual Progress achieved toward goal:	Transactions in emerging markets have the greatest difficulty in obtaining private financing to purchase U.S exports. The L-T guarantee program (non-aircraft transactions) finances transactions in these markets. Ex-Im Bank finances a significant level of exports to these markets. In five example emerging markets (Angola, China, Indonesia, Russia, Turkey) Ex-Im Bank financed exports represent from 19 to 37 percent of total U.S. exports. Ex-Im Bank also steps in to support U.S. exports when the private sector withdraws from the market during times of crisis - see previous answer.

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
2	*Does the program (including program partners) achieve its annual performance goals?*	Large Extent	Ex-Im Bank has not adequately demonstrated that the L-T guarantee program has met both of its annual performance goals. Given that data from the annual Competitiveness Report does reveal that Ex-Im Bank has met its first annual performance goal (which represents 50 - 70 percent of the Bank's L-T transactions) and exceeded its second performance goal of 60%, the Bank received a score of Large Extent. As stated earlier, Ex-Im Bank has not adequately demonstrated why the 60% target is an adequate measure for "additionality".	By far the largest non-aircraft L-T guarantees are located in markets rated BB or riskier. As of July 31, 2002, 66 percent of Ex-Im Bank L-T guarantee transactions are in these risk categories. The evidence related to meeting foreign competition is outlined above.	25%	0.2

Key Goal I:	Finance loan and guarantee transactions that face competition.
Performance Target:	In FY 2002, Provide a competitive all-in rate on non-sovereign transactions among the G-7 ECAs
Actual Performance:	The July 2002 Competitiveness Report highlights that Ex-Im Bank generally provides best all-in rate on non-sovereign transactions among the G7 ECAs.
Key Goal II:	Increase the percentage of L-T guarantees that involve high-risk markets or high-risk customers.
Performance Target:	FY 2001 Target - 60 percent of all L-T guarantees; FY 2002 Target - 60 percent of all L-T guarantees.
Actual Performance:	Ex-Im Bank met the FY 2001 target - 64 percent of all L-T loans and guarantees. In FY 2002, Ex-Im Bank is also expected to exceed the target - estimated 66 percent of all L-T guarantees.

3	*Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?*	Yes	As previously noted, Ex-Im Bank hires financial and legal advisers to help process the Long-Term Structured Finance guarantee applications. These advisers, who are compensated by project sponsors and assist Ex-Im staff with due diligence activities for these complex transactions, provide significant cost and time savings for the program.	Between 1999 and 2002, Ex-Im staff was able to process double the number of transactions with the same number of staff; the number of cases increased from eight in 1999 to 17 in 2002.	25%	0.3

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Does the performance of this program compare favorably to other programs with similar purpose and goals?*	N/A	Not applicable given no other similar programs in the Federal Budget. Ex-Im Bank fills a unique niche in the US Government, that of an export and jobs promotion agency, the L-T guarantee is not directly comparable with the products of any other Federal agency.	With over $30 billion worth of authorizations in the past five fiscal years, Ex-Im Bank has only suffered on average 3% default rate on its L-T guarantee portfolio. This default rate, which is lower than that of most commercial banks demonstrates that Ex-Im Bank's L-T guarantee program performs as well as, if not better than, similar programs administered by private sector sources of financing. As cited in earlier responses, Ex-Im Bank provides lower cost and greater coverage than comparable foreign ECAs.	0%	
5	*Do independent and quality evaluations of this program indicate that the program is effective and achieving results?*	Small Extent	For the past two years, ACSI customer service survey has found that satisfaction with Ex-Im Bank has been higher than the federal government average. This survey, however, does not measure whether or not the Bank is effective in achieving its long term and annual performance goals. The Competitiveness Report (not independent) does indicate that the program is effective in matching official foreign ECA financing. In addition, the IIE Special Report #14,: "The Ex-Im Bank in the 21st Century, A New Approach?" (Jan 2001), which includes a collection of papers detailing Ex-Im Bank's environment, challenges and program evaluations, represents an independent, quality evaluation of Ex-Im Bank's programs from a macro perspective. Even though the aformentioned reports indicate that the Bank's programs are effective and achieving results on a variety of levels, these reports are either not independent or do not completely evaluate whether or not the L-T guarantee program is effective in achieving its long term and annual performance goals. As such, the Bank received a score of Small Extent.	ACSI Reports, FY00 and FY01,Competitiveness Report. Independent evaluations: IIE Special Report #14: "The Ex-Im Bank in the 21st Century, A New Approach?" The Report noted that "Exports have become an extremely important component of the American economy. Their share in total output has tripled over the past 30 years.....The Export-Import Bank of the United States plays an important role in ensuring that US exports reach the markets of emerging nations..." The Report also contained the following comments from William Cline of the IIF who argues, "…global pribate capital markets facing the emerging markets have undergone enormous changes in composition and have experienced very large cyclical fluctuations." Allan Mendelowitz, of the US Trade Deficit Review Commission, states in this Report that Ex-Im Bank was integral in producing OECD Arrangements.	25%	0.1
Total Section Score					**100%**	**67%**

PART Performance Measurements

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	75%	80%	73%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: OTI's Mission Statement is: "OTI's mission is to help local partners advance peace and democracy in priority conflict-prone countries. Seizing critical windows of opportunity, USAID works on the ground to provide fast, flexible, short-term assistance targeted at key transition needs."

Evidence: OTI website: http://www.usaid.gov/our_work/humanitarian_assistance/transition_assistance; and 2001-2002 Report.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight 20%

Explanation: OTI was created in 1994 as a new tool to address the increasing number of complex crises that have appeared since the end of the cold war. OTI addresses these challenges by bridging the gap between traditional immediate-term relief and longer term development assistance.

Evidence: According to "Foreign Aid in the National Interest," there were 111 armed conflicts in 74 locations during the 1990's.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight 20%

Explanation: OTI is uniquely designed to provide fast, flexible, short-term assistance to conflict-prone countries. OTI 's work is distinct from that of the Office of Foreign Disaster Assistance (OFDA) because OTI focuses on key political transition needs, and its work is distinct from traditional development programs because of its short-term, transitional focus.

Evidence: OTI was established in 1994 to fill the gap between short-term relief assistance and longer-term development assistance, a gap that was not been being adequately addressed.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: For each country program, OTI prepares a detailed assessment that identifies the problem(s) being addressed, U.S. national interest, program areas and required budget. OTI has created an innovative contracting mechanism that allows it to support a range of short-term initiatives, quickly and efficiently. OTI revises/updates country strategic plans at least once a year in order to address new problems or unforeseen issues.

Evidence: New Country Assessment Guide, Checklist for New Country Assessments, Guide to Performance Management. SWIFT (Support with Implementing Fast Transition) Indefinite Quantity Contract (IQC) - competitive selection process, Congressional Budget Justification, OTI Database, Country Budget Estimates, Country Monitoring and Evaluation Quarterly Reports

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: OTI programs are individually designed to address a country's most pressing transitional needs, focusing attention on make or break issues that may decide a country's future. In developing its programs, regular consultations with local partners and experts and close monitoring ensure that funds are reaching the targeted beneficiaries.

Evidence: OTI Annual Report, Guide to Performance Management, New Country Assessment Guide, Checklist for New Country Assessments, Country evaluations and monitoring reports, OTI data base.

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	75%	80%	73%	Effective

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight:12%

Explanation: OTI has recently developed two long-term performance measures, and OTI is working to develop a comprehensive long-term measure that will demonstrate OTI's post-close out impact in conflict prevention.

Evidence: See proposed measures.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: NO Question Weight:12%

Explanation: OTI is working to establish ambitious targets and timeframes for its long-term measures.

Evidence: Under development.

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight:12%

Explanation: OTI has recently developed two annual performance measures that support the achievement of its goals.

Evidence: See proposed measures.

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: NO Question Weight:12%

Explanation: OTI is in the process of establishing baselines, and ambitious targets for its annual measures.

Evidence: Under development.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight:12%

Explanation: OTI has developed an innovative small grants mechanism in which a range of partners have been pre-competed because of their demonstrated expertise in working on transitions in difficult operating environments. OTI's sub-grantees are selected because of their commitment to work on activities in support of the overall program objectives. All sub-grantees sign agreements that outline costs and responsibilities. Close monitoring by OTI staff ensure that programs are working towards meeting OTI's objectives. Strategic plans and program objectives are jointly agreed to by contractors and grantees.

Evidence: OTI web site, http://www.usaid.gov/our_work/humanitarian_assistance/transition_assistance/ (contains a section on highlights from the field (hot topics)), monthly reports from the field, final and mid-term evaluations, OTI 2001-2002 Report, SWIFT IQC. OTI holds strategic planning sessions with grantees/contractors to finalize country strategic plans.

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	75%	80%	73%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight: 12%

Explanation: OTI conducts independent evaluations through independent consultants and contractors near the end of each country program to evaluate the program's effectiveness, identify lessons learned, and make recommendations for future programs. In addition to independent evaluations which OTI conracts for at the end of all of its country programs, USAID's Clearinghouse of Development Information and Exchange (CDIE) has also evaluated a number of OTI's programs using external contractors. OTI is currently working on improving its program evaluation process.

Evidence: OTI website: http://www.usaid.gov/hum_response/oti/pubs.html. OTI Final Evaluation Protocol (work in progress)

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: YES Question Weight: 12%

Explanation: While OTI has just developed its annual and long-term measures, its annual congressional budget justification ties its resource needs to its assessment of current programs and clearly breaks out OTI's funding requests and estimates by country. OTI reviews the progress, budget, and operations support of its on-going programs on a quarterly basis. Before intervening in a new country OTI uses set criteria to determine whether a new country program would be worthwhile. These new country assessments include budget estimates.

Evidence: USAID Budget Justification to the Congress FY 2004

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 12%

Explanation: OTI has adopted or is working to adopt long-term and annual performance goals, as well as baselines, targets, and timeframes. OTI develops a set of lessons learned and best practices from its monitoring and evaluation processes and uses these to improve and strengthen its programs. OTI's Annual retreats are used to identify strategic planning and management weaknesses and recommend corrective actions.

Evidence: See proposed measures. Guide to Performance Management, Guide to Program Options in Conflict-Prone Settings, OTI's Annual reports, Final Evaluations. Strategic Plan - Strategic Principles

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 10%

Explanation: OTI develops a performance monitoring plan for each country program and establishes baseline data. OTI field staff routinely monitor programs and gather data from implementing partners. OTI holds semi-annual strategic planning sessions with its staff and implementing partners to revise/update the strategy and make necessary adjustments. OTI's grants database allows Washington staff to check a program's progress and create a variety of standardized reports.

Evidence: OTI has revised/updated country strategies to respond to changing situations/new opportunities (e.g., Burundi & DRC). OTI meets with implementing partners on a regular basis to discuss strategic and management issues and to make changes as appropriate. Lessons learned from evaluations are disseminated to all OTI staff and included on the OTI website. OTI annual report identifies problems encountered and changes made.

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	75%	80%	73%	Effective

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES Question Weight: 10%

Explanation: OTI appoints a cognizant technical officer (CTO) for each program to manage contractors/grantees (i.e. review/approve vouchers, financial pipelines, sub-grants, etc.) Contractors/grantees are routinely audited and are registered with USAID.

Evidence: OTI staff prepare annual contractor performance reports (CPRs) that identify both strengths and weaknesses. These are used in reviewing/rating new contract proposals. CTO's and Office of Procurement staff conduct contractor reviews on a regular basis.

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES Question Weight: 10%

Explanation: OTI's innovative contracting mechanism, SWIFT, allows it to obligates funds in a timely manner. OTI incrementally funds programs to hold contractors/grantees accountable. OTI prepares and updates monthly, quarterly and annually a procurement plan to schedule all procurements and obligations and ensure that funds are being spent for their intended purpose.

Evidence: OTI financial reports and budget tables, SWIFT IQC. OTI procurement planning documents and the database are accessible on every OTI computer and are updated on a regular basis.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES Question Weight: 10%

Explanation: OTI uses an innovative contracting mechanism where a range of partners have been pre-competed because of expertise in working on transitions in difficult operating environments. All sub-grantees sign agreements that outline costs and responsibilities. In-kind grants are provided when sub-grantees do not have approved financial management systems. OTI leverages funds from other sources/donors to improve cost efficiencies (e.g., Afghanistan, Indonesia, and Macedonia) OTI country representatives are given the authority to approve sub-grants up to $100,000 in the field. Larger amounts must be approved at the USAID Washington offices.

Evidence: OTI's new SWIFT II mechanism is now at the Office of Procurement for final selection and negotiation with implementing partners. New requirements call for all contractors to have a grants under contracts manual in place and approved by OP before any small grants can be funded. OTI database tracks leveraged funds from other donors/sources.

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	75%	80%	73%	Effective

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: NO Question Weight: 10%

Explanation: During design and implementation, OTI routinely coordinates with the USAID Mission and Embassy as well as USAID's Washington staff. However, there is room for increased cooperation between OTI and the State Department's Bureau of Democracy, Human Rights and Labor, whose Human Rights and Democracy Fund programs could complement OTI's programs, particularly in the advancement of democracy. Friction with U.S. Embassies and USAID missions at the beginning stages of a new country program has sometimes hurt the success of some OTI programs. However, OTI has made significant progress in improving cooperation with USAID missions and Embassies during the design and implementation of its new country programs. OTI is also establishing closer linkages with DCHA/DG and DCHA/CMM in strategic planning.

Evidence: Guide to Performance Management, Country Final Evaluations, CDIE Country Evaluations. MOUs with USAID Missions..

3.6 **Does the program use strong financial management practices?** Answer: NO Question Weight: 10%

Explanation: While USAID has not deployed the new accounting system to its overseas Missions, OTI programs are managed in Washington and are therefore linked into the Phoenix system. However, the Phoenix system is not yet compliant with federal financial management system requirements. Program managers carefully review payment vouchers submitted by contractors. Contracts must submit financial pipelines prior to receiving incremental funding. OTI's contracts are routinely audited after they are closed out. SWIFT II contractors now required to have an approved Grants under Contracts manual in place prior to disbursing any funds to local partners to ensure financial management capacity.

Evidence: OTI budget reports on accruals and disbursements. OTI budget database, country program budgets. SWIFT II Request for Proposal

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 10%

Explanation: Through on-the-ground fiel monitoring, mid-term evaluations, performance monitoring plans, and regular meetings with implementing partners, OTI makes necessary changes to address any management deficiencies.

Evidence: OTI staff prepare written correspondence to implementing partners when specific action/changes are necessary to address management issues (e.g., Afghanistan and Burundi). OTI has held after-action (post-closeout) reviews with contractors to discuss overall performance (e.g., Serbia).

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?** Answer: YES Question Weight: 10%

Explanation: The majority of OTI's programs are awarded competitively under its Support Which Implements Fast Transition (SWIFT) contracting mechanism. SWIFT partners have been pre-competed and only those with proven track records in complex emergencies are considered.

Evidence: Depending on the nature of the program, a country program may fund 200 or more sub-grants annually. Sub-grantees that have performed well as are often provided with additional sub-grants as appropriate. OTI has 4 SWIFT partners (contract ends on September 30, 2003), and OTI anticipates that it will have 6-7 SWIFT II partners (estimated award date is August 2003).

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	75%	80%	73%	Effective

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?**
Answer: YES — Question Weight: 10%

Explanation: OTI prepares a performance monitoring plan and maintains a data base of all sub-grants. Sub-grantees must sign agreements with our implementing partners and OTI field staff must clear. These agreements identify purpose of grant, inputs and outputs, timeframe, etc. Database includes info on each sub-grant, including type, location, budget, sector focus, etc.

Evidence: Country level PMPs. County data bases (updated every 2 to 4 weeks by the field). Country level monthly reports (on website)

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?**
Answer: YES — Question Weight: 10%

Explanation: OTI prepares monthly reports on its programs and maintains a database on all sub-grants. OTI maintains a website which provides monthly reports, hot topics and other relevant information on program activities.

Evidence: OTI website: www.usaid.gov.hum_response/OTI/

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?**
Answer: SMALL EXTENT — Question Weight: 20%

Explanation: While independent evaluations show that OTI has made progress in achieving its long term performance goals on an individual country level, OTI is working to develop performance targets to better measure progress towards these goals.

Evidence: OTI country evaluations, OTI 2001-2002 Report, Annual Report, 1999 Results Review

4.2 **Does the program (including program partners) achieve its annual performance goals?**
Answer: SMALL EXTENT — Question Weight: 20%

Explanation: OTI has recently developed two annual performance measures that support the achievement of its goals in order to better measure its success. OTI is in the process of establishing baselines, and ambitious targets for its annual measures.

Evidence: See proposed measures.

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	75%	80%	73%	Effective

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: YES   Question Weight20%

Explanation: OTI has part-time consultants/contractors that are on call to fill OTI's short term staffing gaps. A newly awarded Program Development Quickly (PDQ) IQC enables OTI to efficiently contract for range of short term services, such as strategic planning, assessments, evaluations, training, document preparation, etc. A new SWIFT II IQC to be awarded in FY 2003 expands the pool of pre-competed partners with the necessary expertise to implement a wide range of activities in the difficult operating environments where OTI manages programs.

Evidence: The new Program Development Quickly (PDQ) contracting mechanism and the new SWIFT II contracting mechanism are examples of significant improvements to OTI's operating efficiency and cost effectiveness. Use of part-time, on call senior field advisors also provide surge capacity. OTI's goal over the life of a program is to have 70% of program funds go to grants/sub-grants and 30% of program funds go to non-grant costs (local staff, field operations, and headquarter costs/overhead).

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: YES   Question Weight20%

Explanation: OTI receives very favorable remarks from organizations and think tanks who prepare reports/analyses on the type of work that OTI does with political transitions in conflict-prone areas. Although the State Department and other USAID Bureaus carry out similar programs, OTI is unique in its ability to quickly implement their programs in difficult working environments.

Evidence: Quotes from International Crisis Group, U.S. Institute for Peace, journalists. Quotes from National Security Studies Quarterly (Summer 2001), Foreign Affairs Journal (July.Aug 2001), The Harvard International Review (Fall 2000). Quotes from OTI 2001-2002 Report, 1999 Results Review.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: YES   Question Weight20%

Explanation: Final country evaluations have generally indicated that OTI programs have been effective in achieving significant measurable results and making a considerable impact in improving political and security conditions in conflict-pone areas. CDIE conducted an evaluation of USAID's experience with transitions, and four OTI programs were examined (East Timor, Nigeria, Kosovo, and Indonesia). OTI is currently working to standardize its evaluation process with a new Evaluation Protocol.

Evidence: Final country evaluations, CDIE evaluation reports. (See OTI website, Publications list), OTI Final Evaluation Protocol (work in progress). The main finding of the CDIE evaluation on USAID's experience with transitions was that OTI programs had a positiobe impact in East Timor, Nigeria. Kosovo, and Indonesia.

PART Performance Measurements

Program: Office of Transition Initiatives
Agency: United States Agency for International Development
Bureau: Democracy, Conflict and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	75%	80%	73%	Effective

Measure: Percentage of OTI programs that demonstrate increased access to unbiased information by target population on key transition issues.

Additional Information: This outcome measure tracks OTI's success at ensuring that target populations have access to unbiased information that helps them make informed decisions and facilitates the transition process.

Year	Target	Actual

Measure Term: Annual

Measure: Percentage of OTI programs that have a sustainable handoff strategy (either to USAID Mission or local civil society groups) in place after 18 months of starting up a new country program.

Additional Information: This outcome measure assesses OTI's success rate in arranging for a successful closeout/handoff to ensure longer term impact through collaboration with local partners and USAID Mission, international PVOs/UNOs or other donors.

Year	Target	Actual

Measure Term: Long-term

Measure: Percentage of final evaluations that find that OTI made significant impact in strengthening democratic institutions/participatory processes or increasing momentum for peaceful resolution of conflict (depends on main objective of specific country program)

Additional Information: This outcome measure tracks OTI's success at achieving its overall goal of advancing democratic political transitions in priority conflict-prone countries.

Year	Target	Actual

Measure Term: Long-term

Measure: Percentage of target population assisted or engaged in participatory initiatives.

Additional Information: This outcome measures OTI's success at engaging communities and groups in participatory processes that support the overall transition.

Year	Target	Actual

Measure Term: Annual

PART Performance Measurements

Program: Operating Expenses and Capital Investment Fund (OE/CIF)

Agency: United States Agency for International Development

Bureau: Policy and Program Coordination/Management

Type(s): Direct Federal — Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

1.1 Is the program purpose clear? Answer: YES Question Weight20%

Explanation: The Operating Expenses (OE) and Capital Investment Fund (CIF) pay most of the operating expenses of the United States Agency for International Development (USAID) so that it can administer the foreign assistance programs authorized by the Foreign Assistance Act of 1961. OE and CIF ensure a high quality workforce supported by modern and secure infrastructure and operational capabilities. Specifically, OE pays the salaries, benefits and training for U.S. Direct Hire (USDH) employees, maintenance of existing Information Technology (IT) and security systems, and rent and maintenance of facilities; CIF provides funding for investments in new IT and building construction. Based on fiscal year 2005 budget request data, OE pays for 63% of total operating expenses, with the remainder paid for from other sources, including program funds. CIF funds for IT are used exclusively for modernization and enhancement purposes. Maintenance of existing IT is paid for with OE funds and a small amount of program.

Evidence: The Foreign Assistance Act of 1961, as amended, establish the legislative authority for OE and CIF. Annual Foreign Operations Acts appropriate funding for OE and CIF, which include the costs of capital investments, and also underscore the purpose OE and CIF. Further, the State-USAID Joint Strategic Plan FY 2004-09 elaborates the specific priorities for which this funding is applied.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight20%

Explanation: OE/CIF directly addresses the need to provide management, administrative, and information technology support to the development and humanitarian assistance programs USAID must execute under its legislative authorities and appropriations acts. OE funds overhead activities that are core business functions, including inherently governmental activities. Funds for capital investments related to buildings and information technology (IT) were split into a separate account, CIF, in the fiscal year 2003 appropriations act to prevent general operating requirements from crowding out necessary long-term investments. Absent OE/CIF, USAID would require other means of funding its non-program-specific operations.

Evidence: The State-USAID Joint Strategic Plan (fiscal years 2004-09) and the Congressional Budget Justification (CBJ) elaborate the needs addressed by OE and CIF and identify the spending priorities. These needs are also mentioned in the Foreign Assistance Act of 1961, as amended, and the annual Foreign Operations appropriations acts.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight20%

Explanation: In addition to OE and CIF, the Agency also uses program funds to meet certain of its operating costs. To ensure that no expenditure is redundant, USAID has developed specific cost allocation policies to identify which expenses are to be covered by OE funds and which are to covered by program funds. In fiscal year 2004, OE appropriations funded approximately 65% of AID's operating expenses and non-OE appropriations funded approximately 35%. CIF funds only investments to modernize and enhance IT (e.g., a new enterprise architecture system). Approximately 14% of OE funds, combined with a small amount of program funds (<5% of total IT spend) go to maintaining existing IT. At some missions, funds for operating expenses are augmented by the local government, which may provide contributions to support USAID operations. These are not redundant, but rather used in coordination with OE and CIF and considered part of the overall administrative budget for the agency. No other entities provide support to USAID operations.

Evidence: The Administrative Directive System (ADS) (Chapter 601 - Funding Source Policy) outlines which operating activities may be covered by program funds and which must be funded by OE. The USAID OE Funding Sources and Uses table identifies which sources (e.g., including trust funds), in addition to the OE account, constitute OE's total funds.

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal   Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	89%	88%	46%	

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight 20%

Explanation: There is no strong evidence that another approach or mechanism would be more efficient or effective in achieving the intended purpose. The "design" of OE/CIF relates to the separate appropriations accounts, as well as congressional provisions related to uses of the funds appropriated annually. The authority provided by Congress gives the agency significant leeway to manage the program. Agency policy and procedures concerning the appropriate use of the funds ensure that the program is run effectively and efficiently. Although the current structure allows the agency sufficient flexibility, the agency is exploring whether an alternate funding mechanism that ties more closely to the program funding of the agency would better serve this program.

Evidence: The Foreign Assistance Act of 1961, as amended, and annual appropriations acts outline the flexibility afforded the OE and CIF programs. The Administrative Directive System (ADS) clarifies which operating activities may be covered by program funds and which must be funded by OE.

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight 20%

Explanation: OE and CIF benefit 100% of their targeted beneficiaries: the Agency employees in the field missions and Washington offices who are charged with program planning and implementation. Activities funded by OE and CIF are essential to AID's mission and would not occur without the program since no other entities provide resources for agency operations. Resources are allocated for fixed costs and variable costs for operating units according to Agency priorities, unit resource needs, and Congressional directives related to the use of funds. Further, resources that reach other beneficiaries, such as U.S. Government employees from other agencies who share office space with Agency employees, are accounted for by the International Cooperative Administrative Supprt System (ICASS). ICASS allocates these costs to the other beneficiaries, thereby compensating the OE and CIF programs.

Evidence: The Congressional Budget Justification identifies the specific uses of OE funds, such as for salaries, facilities, security, etc. The ADS (Chapter 601 - Funding Source Policy) clarifies which AID operating activities must be funded by OE and which must be funded by non-OE, program money.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight 11%

Explanation: USAID has commited to a number of long-term performance goals linked to the management objective of the State/USAID joint strategic plan. These will be published in the agency's annual performance budget for FY 2006 and provide indicators of progress in such vital OE/CIF functions as security, human resource management, and financial management. Given the administrative nature of this program, output oriented measures are used as proxies for the desired outcomes. In addition, USAID's performance of significant agency management functions, the area most strongly supported by OE/CIF resources, is assessed using the Office of Management and Budget's (OMB) scorecard criteria developed under the President's Management Agenda (PMA). For overseas buildings, USAID funds investments through the State Department which maintains these metrics.

Evidence: Please see the Measures tab for core performance measures for this program. In addition, USAID has long-term goals to meet the criteria established for good management ("green" ratings) under the President's Management Agenda.

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal; Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 11%

Explanation: USAID's long-term performance goals are geared toward significantly improving USAID management and can only be accomplished by ambitious reengineering of the agency over a short time horizon. For example, in order to eliminate all material weaknesses (financial management), USAID must roll out an integrated accounting system to all field missions, adopt the required process changes, and provide adequate oversight through a strengthened CPIC process. To reach the quality improvement goal for procurement, USAID needs to review its procedures and aggressively implement an improved training program for contract staff.

Evidence: Please see Measures tab for baseline and target data.

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 11%

Explanation: AID and OMB have selected a limited number of performance measures, including annual targets that track AID's progress in the wide range of activities and investments supported by OE and CIF. All of these measures are discrete, quantifiable and measurable. Many of these measures have been tracked by AID for years and some originate from more recent management improvement efforts, such as the Human Capital Strategy. USAID publishes annual targets in the Annual Performance Budget (APB). In addition, for the information technology (IT) portion of OE/CIF, annual performance measures are developed for each IT investment as part of the capital planning process.

Evidence: The annual performance measures have been drawn from: PMA Scorecards; USAID FY2005 Annual Performance Budget, Measures to be included in FY 2006 Annual Performance Budget, OMB Circular A-11 Exhibit 300s, Department of State/USAID JMC Business Plan for Management Collaboration, Human Capital Strategy

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 11%

Explanation: Baselines and targets have been established for most of the annual performance measures. Some measures have baselines and target goals that are under development. In the FY 2005 Annual Performance Budget, USAID committed to ambitious improvements in a number of management areas including financial management, procurement, and IT. Improved measures, including baselines and targets are proposed for the FY 2006 Annual Performance Budget. All management bureau offices have developed customer service standards and measure success in achieving those standards monthly. In addition, for IT investments, baselines and targets are established for each measures proposed in the business case.

Evidence: The baselines have been drawn from: PMA Scorecards; Management Bureau Office Quality Service Plans, Management Bureau Office Performance Review Reports, USAID FY2005 Annual Performance Budget; Measures to be included in FY 2006 Annual Performance Budget, OMB Circular A-11 Exhibit 300s

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal   Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?**

Answer: YES   Question Weight: 11%

Explanation: USAID program managers strive to ensure that partners support the overall goals of the program and measure and report on their performance as it relates to accomplishing those goals. USAID and its main U.S. government partner, the Department of State, now jointly develop their strategic and performance goals. With its large number of contractors, USAID requires reporting for contracts exceeding $100,000 and is beginnning to employ other performance-based award mechanisms more extensively. While its current use of performance-based contracting is in the early stages, USAID has engaged external assistance to support efforts to expand its use, beginning with three pilots to be executed within the next few months.

Evidence: The JMC Business Plan for Management Collaboration illustrates AID's and the Department of State's commitment to cooperating on setting common long-term and annual goals. The State-USAID Joint Strategic Plan (fiscal years 2004-09) identifies the performance goals that AID and State pursue. ADS Chapter 302.5.9 ("Evaluation of Contractor Performance") stipulates that all contracts exceeding $100,000 must be evaluated annually and at the completion of activities. The PRIME 2.2 Award Plan and Service Level Agreements (SLAs) provides an example of how one contractor's goals and objectives are aligned with those of AID, linking compensation directly with results such as overall customer satisfaction; however, this document also states that "SLAs and performance metrics are not heavily used by" the contracting department at AID.

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES   Question Weight: 11%

Explanation: A number of independent, objective and high-quality evaluations are regularly conducted to examine how well OE and CIF are accomplishing their mission and meeting their long-term goals. These evaluations have covered the wide array of activities relevant for OE and CIF, including financial management (USAID's Office of the Inspector General (OIG), Presidential Management Agenda scorecards (PMA)), (OIG, General Accounting Office (GAO), PMA). These evaluation satisfy the requirements of independence (both IG and GAO are external parties), quality (they are in-depth and cover relevant areas) and scope (they assess the extent to which AID's operations achieve their goals and provide actionable recommendations). AID augments these independent, comprehensive evaluations with contractors that conduct independent evaluations in specific areas such as network security.

Evidence: Three GAO reports from 2001 to 2003 identify AID's areas requiring improvement and report on AID's attempts to improve its human resources, financial and other management practices. Similarly, the Independent Auditor's Report on USAID's Consolidated Financial Statements, Internal Controls, and Compliance for Fiscal Years 2003 and 2002; OIG Semi-Annual Reports; OIG Standards for Success Accomplishment Report; PMA Scorecards; "Independent Reviews of USAID Network"; Sample IV&V Web Privacy Reports; Report on Compliance with Federal Privacy Policy; Analysis of Alternatives with Regard to the USAID New Management System (NMS) all cover areas relevant to OE and CIF.

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal   Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?

Answer: NO   Question Weight: 11%

Explanation: Although USAID is unable to meet the criteria for a 'yes' in this category, the agency has made significant progress and recently upgraded its rating in the PMA scorecard for Budgeting and Performance Integration to yellow (as of March 31, 2004). USAID already prepares an annual performance budget that ties resource requests to annual performance goals. Specifically, the FY 2006 management bureau budget request is tied to USAID's annual and long-term performance goals for agency support functions as defined in the State/USAID joint strategic plan. USAID also has developed tools to improve its approach to budgeting, including a staffing template to budget for and target direct hire personnel to field missions based on programmatic needs. Although further refinement in relating administrative requests to program requirements is required, USAID collects and analyzes information on all administrative funds from operating units, including program and trust funds, that are used to cover administrative costs as part of the internal budget process.

Evidence: Presidential Management Agenda scorecard for USAID (March 31, 2004); FY 2005 Annual Performance Budget; FY 2006 Management Bureau budget request; U.S. Direct Hire Staff Allocation Template

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies?

Answer: YES   Question Weight: 11%

Explanation: The steps USAID has taken to correct strategic planning deficiencies include better coordination with State through development of a joint strategic plan, establishment of a Business Transformation Executive Committee (BTEC), data collection/reporting, adoption of a comprehensive human capital strategy, better IT planning through an updated enterprise architecture (EA) and Capital Planning and Investment Control (CPIC) process, and ongoing budget and performance integration efforts to help the agency directly tie OE/CIF resources to the accomplishment of agency goals. (For example, USAID completed a study of program support costs and developed an interim cost accounting database.) OMB has awarded USAID green progress ratings on budget/performance integration in the PMA scorecard for the past 6 quarters and improved its status to yellow. The OIG has reported on USAID's improvements in strategic planning against established standards for success, and the agency is exploring alternate methods for funding administrative costs that would tie more closely to the program accounts.

Evidence: The State/USAID Joint Strategic Plan, JMC Business Plan for Management Collaboration, JMC Charter, and Joint Policy Council (JPC) Charter list the improvement opportunities that AID has identified, e.g., its Development Readiness Initiative. The Human Capital Strategy, in particular, highlights a human resources challenge that AID has identified, evaluated and planned to overcome. Additional efforts at identifying improvement opportunities and solutions include: PMA Scorecards, BTEC charter; ADS Chapter 577, Capital Planning and Investment Control (CPIC); Enterprise Architecture, Interim Cost Accounting Database, Study of Operating Expenses: Cost Reporting and Utilization for Management, OIG Standards for Success Accomplishment Report.

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

2.CA1 **Has the agency/program conducted a recent, meaningful, credible analysis of alternatives that includes trade-offs between cost, schedule, risk, and performance goals and used the results to guide the resulting activity?**

Answer: YES Question Weight: 11%

Explanation: In compliance with OMB Circular A-11, USAID conducts alternative analysis for all major IT investments. USAID's Capital Planning and Investment Control (CPIC) process requires project sponsors to justify and defend proposals and ensures that IT capital investments are prioritized according to agency-wide business requirements. Once investments are approved by the agency, OMB reviews and scores the business case before the investment can move forward. To date, alternative analyses have been prepared for the following: financial management system (field & headquarters), procurement system, e-recruitment, and the agency IT infrastructure.

Evidence: AID provided seven OMB Circular A-11 Exhibit 300s, across different IT investments funded by both OE and CIF, which illustrate extensive analyses of alternative investments. ADS Chapter 577 (Capital Planning and Investment Control (CPIC)) outlines the policies and procedures for planning and budgeting for AID's IT assets.

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES Question Weight: 13%

Explanation: USAID reports annually on the agency's success in achieving annual management goals in the performance and accountability report. USAID implements much of the management program through private sector contractors. The agency ensures good performance through annual reports that are used to evaluate contractor performance and make decisions on future awards. USAID has also initiated three pilots for performance based contracting, building on the contract for IT infrastructure support and services. In addition, central management offices collect and evaluate performance data several times per year and target resources to improving operations where necessary. For example, poor results in recruitment led to reforms that achieved a 41% reduction in the average time from vacancy announcement closing to job offer. In procurement, processing time was reduced by reallocating staff based on an analysis of workload/complexity of actions. Customer feedback is used in managing the program against established customer service standards.

Evidence: The Evaluation of Contractor Performance (ADS Chapter 302.5.9) provides guidelines for assessing contractor service delivery. Management Bureau Office Performance Review Reports illustrate how AID tracks data relevant to OE and CIF. USAID's FY 2003 Annual Performance and Accountability Report documents how AID is increasing its use of performance-based sourcing. The Administrator's Survey of Employee Morale and sample statistics maintained by human resources (HR) illustrate how AID also collects data relevant for HR activities and how it informs management decisions.

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal — Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?

Answer: YES — Question Weight: 13%

Explanation: OE/CIF affect all AID managers, and each manager is rated against pre-determined work objectives/performance measures on an annual basis. The ratings are the basis for awards and, for foreign service managers, tenure and promotion decisions. Negative ratings adversely impact an employee's opportunity for award and career advancement. For foreign service employees, failure to earn promotion can mean removal from service. For the Senior Executive Service (SES), mandatory performance requirements include: performance management, cost control, and audit resolution (where applicable). Unsatisfactory performance by an SES member can result in ineligibility for awards, a reduction in pay, or other disciplinary action including removal from the SES. The Management ("M") Bureau holds primary responsibility for executing OE and CIF activities. Private sector partners are held accountable through required performance standards and reporting on all contracts. USAID specifically requires past contractor performance to be considered in awards of $100,000 or more.

Evidence: The following documents outline how individual performance evaluations are to link employee performance to certain work objectives and performance goals: SES Performance Appraisal Report Template and Instructions, ADS Chapter 423 - Personnel Operations: Senior Executive Service, ADS Chapter 462 - Employee Evaluation Program, ADS Chapter 463 - Foreign Service Boards, Senior Executive Performance Management System (SESPMS) approved by OPM., Meeting notes from the May 2002 session of the Business Transformation Enterprise Council (BTEC) illustrate AID's progress in holding itself accountable for improving its operations. The Evaluation of Contractor Performance (ADS Chapter 302.5.9) outlines how contractors are to be assessed and held accountable.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?

Answer: YES — Question Weight: 13%

Explanation: OE is appropriated on a one-year basis, requiring timely obligation. The agency obligates over 99 percent of funds within the period of availability. CIF also obligates in a timely manner though unlike the OE account, funds larger infrastructure projects that require multi-year obligations. To this end, the CIF account was created with no-year availability. Internal controls, including ADS requirements, within the agency require OE/CIF to be spent only for authorized purposes and the OIG audit showed no findings related to OE/CIF spending. CIF funds are obligated according to detailed capital investment plans that include targets requiring adherence to deadlines for procurement actions.

Evidence: Funding Source Policy (ADS Chapter 601) details for which activities OE funds, versus program funds should be allocated. SF133s/FACTS II reporting from the fourth quarter of 2003 illustrates AID's obligations and outlays. ADS Chapter 634 (Administrative Control of Funds) outlines the procedures and penalties involved in controlling exenditures. Several OMB Circular A-11 Exhibit 300s provide rationale for various OE and CIF expenditures.

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal   Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES   Question Weight: 13%

Explanation: USAID support functions have been extensively outsourced. The contracts for these functions are re-bid on a regular basis to take advantage of cost savings from private sector competition. In addition, USAID has a committee performing preliminary planning for competitive sourcing to expand the scope of private sector competition to select in-house functions. Extensive cost/benefit analysis is performed for all new IT investments to ensure that the selection of technology solutions results in an efficient use of limited resources. USAID's Program Management Office (PMO) and CPIC reviews provide quarterly evaluations of IT investment effectiveness against improvement goals, including efficiency and cost effectiveness goals. The management bureau has established performance standards for each office, including efficiency standards, that are reported against monthly. To better inform efforts to improve efficiency, the agency is establishing a new metrics function within the management bureau which will be operational in late FY 2004/early FY 2005.

Evidence: The Management Bureau Office Quality Service Plans provide benchmarks for the various Management Bureau divisions for performance and effectiveness. ADS Chapter 104.3.3.d (Performance of Commercial Activities within USAID: Cost Comparison) prescribes procedures for ensuring that the most cost-effective bid is selected. PMO Quality Control Plan identifies business processes to enhance quality.

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: YES   Question Weight: 13%

Explanation: Within the agency, OE/CIF activities are coordinated with programs implemented through the regional bureaus, missions, and central programs. Individual program bureaus/missions execute much of the OE/CIF budget to ensure coordination with program objectives. OE/CIF requests are based on submissions from individual bureau/missions that evaluate their needs based on program requirements. The BTEC approves major resource reallocation withint the OE/CIF accounts and ensures that senior managers from the program bureaus provide input into major management decisions. USAID coordinates closely with the major federal partner, State, through joint management efforts. USAID and State are investigating opportunities for improved program outcomes through collaboration in management areas ranging from human resources to facilities management. As a result, the agencies are capitalizing on identified opportunities by preparing a joint enterprise architecture, investing in joint financial management and procurement systems, and synchronizing budget processes.

Evidence: JMC Business Plan for Management Collaboration lays-out the ways that AID and State will coordinate. The State/USAID Joint Strategic Plan is a manifestation of this plan. The Guidance for the Bureau Program and Budget Submissions provides guidance on how AID and State are to jointly allocate resources and the OMB Circular A-11 Exhibit 300s for joint investments provide concrete evidence of resource allocation for common purposes. Further evidence of joint planning includes: BTEC Charter, JMC Charter, JPC Charter.

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

3.6 Does the program use strong financial management practices? Answer: NO Question Weight: 13%

Explanation: Agency material weaknesses prevent a "yes", but USAID is on track to resolve remaining issues by FY 2006. USAID has an aggressive program to review management controls, identify risks and deficiencies, and establish corrective action plans in accordance with the Federal Managers Financial Integrity Act (FMFIA). USAID's audit management program monitors and responds to audit recommendations. USAID received a clean audit opinion on its financial statements in FY 2003. Two of the three FMFIA material internal control weaknesses are targeted for resolution in FY 2004. Worldwide rollout of the core accounting system in FY 2005 will close the third and result in compliance with the Federal Financial Management Improvement Act (FFMIA). Key accomplishments in the area of financial management include: the first clean opinion on the Agency's financial statements, the elimination of four auditor-reported material internal control weaknesses, improved reporting, and acceleration of financial reporting one year ahead of legal requirements.

Evidence: AID financial management weaknesses were identified and acknowledged in: Independent Auditor's Report of USAID's Consolidated Financial Statements, Internal Controls, and Compliance for Fiscal Years 2003 and 2002; the fiscal year 2003 Performance and Accountability Report (PAR); and in the PMA Scorecards. Methods for identifying weaknesses are explained in the following documents: ADS Chapter 595 - Audit Management Plan, ADS Chapter 596 - Management Accountability and Control, MCRC Charter, ADS Chapter 620 - Financial Management Principles and Standards.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 13%

Explanation: USAID set up the BTEC to bring all senior managers together to identify and address management deficiencies. A strengthened CPIC process linked to the BTEC has resulted in better IT planning that is geared toward addressing specific management deficiencies such as in procurement and financial management. Through financial management improvement efforts, USAID received a clean audit for the first time. The new Human Capital Strategic plan addresses deficiencies related to workforce planning. Beginning with FY 2005 budget, USAID used a strategic budgeting approach to develop the budget submission and has completed a study of program support costs. USAID continues to refine the strategic budgeting model to ensure consistency across bureaus and to account for sector specific performance factors. For the future, USAID is exploring the possibility of proposing an alternate method for funding administrative costs that would tie more closely to the program accounts.

Evidence: AID acknowledges that its financial weaknesses present improvement opportunities in the fiscal year 2003 Performance and Accountability Report (PAR). These findings were also presented in the Independent Auditor's Report on USAID's Consolidated Financial Statements, Internal Controls, and Compliance for Fiscal Years 2003 and 2002. The OIG Report "Standards for Success Accomplishment Report Fiscal Year 2003" illustrates AID's progress. Further AID procedures for improvement are presented in the following documents: ADS Chapter 577 - Capital Planning and Investment Control (CPIC), BTEC Charter, Human Capital Strategic Plan, Study of Operating Expenses: Cost Reporting and Utilization for Management, Guidance for the Bureau Program and Budget Submissions (2005 and 2006)

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal   Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

3.CA1 **Is the program managed by maintaining clearly defined deliverables, capability/performance characteristics, and appropriate, credible cost and schedule goals?** Answer: YES Question Weight: 13%

Explanation: In compliance with OMB Circular A-11, USAID has clearly defined deliverables, capability/performance characteristics, and appropriate, credible cost and schedule goals for IT capital investments. Performance is tracked through monthly Earned Value Management Reports and status reports for each project. The results will be used in the CPIC process to make management decisions through quarterly reviews of major IT investments begun in May 2004. The details of the investments are documented and presented to OMB annually for review in the OMB Circular A-11 300 exhibits. For our overseas building investments, these metrics are maintained by the State Department.

Evidence: The OMB Circular A-11 300 exhibits and Long-Range Overseas Building Plan/Performance Measures for Capital Security Construction Program establish expectations for major investments. Progress is tracked through Monthly Earned Value Management Reports and Monthly Project Status Reporting. Accounting guidelines are listed in ADS Chapter 577 - Capital Planning and Investment Control (CPIC).

4.1 **Has the program demonstrated adequate progress in achieving its long-term performance goals?** Answer: SMALL EXTENT Question Weight: 20%

Explanation: USAID made progress in achieving its long-term OE/CIF performance goals as stated in the management objective of the joint strategic plan. In financial management, the agency received its first unqualified audit opinion and closed four auditor identified material weaknesses. The Information Resource Management Office (IRM) has achieved high customer service marks from employee surveys and overhauled the CPIC process, including strengthening the business cases for IT investments. The USAID Employee Survey shows consistent improvement in employee morale. Progress ratings on the PMA scorecard have steadily improved over time with green ratings in all but competitive sourcing for the last two quarters and the OIG has evaluated the agency as making progress against standards for success.

Evidence: Evidence includes IRM Employee Survey Results and the Administrator's Annual Survey of Employee Morale. PMA Scorecards, Independent Auditor's Report on USAID's Financial Statements, Internal Controls, and Compliance, Fiscal Years 2002 and 2003, OIG Standards for Success Accomplishment Report, FY 2003 Performance and Accountability Report

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight: 20%

Explanation: USAID met or exceeded just over half (56%) of the ambitious annual management goals for FY 2003 as reported in the performance report. The agency improved compliance with procurement policies, upgraded telecommunications equipment at 21 missions, and finalized plans for deployment of a world-wide accounting system. Although USAID failed to meet a number of targets, significant steps have been taken to improve performance and the agency stands poised to improve in this area in the future. Although USAID failed to meet its goals related to the certification of contract staff, the agency stepped up recruiting at the entry level and developed a comprehensive training program to ensure that as senior contracting officers leave, junior officers will be certified to assume higher level authorities. Several goals were missed in the IT area as the agency focused on strengthening the CPIC process to ensure better performance in the future. For example, the agency delayed mission deployment of agency-wide systems to improve planning, thereby better assuring success of the project.

Evidence: FY 2003 Performance and Accountability Report, PMA Scorecards

Program:	Operating Expenses and Capital Investment Fund (OE/CIF)		
Agency:	United States Agency for International Development		
Bureau:	Policy and Program Coordination/Management		
Type(s):	Direct Federal	Capital Assets and Service Acquisition	

Section Scores				**Rating**
1	2	3	4	Moderately Effective
100%	89%	88%	46%	

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?**

Answer: SMALL EXTENT Question Weight20%

Explanation: The efficiency measure to which AID and OMB agreed has baseline data beginning only in 2004 and, therefore, efficiency can not be demonstrated. Although USAID has improved agency management, the performance measurement framework has only recently come to incorporate efficiency measures. With efficiency measures other than the one included in this PART, the agency can validate improved effectiveness and efficiency to a small extent. For example, the Office of Human Resources (HR) reduced the average time from vacancy announcement closing to job offer by 41% from 60 to 35 workdays between May 2003 - May 2004, beating the OPM standard of 45 workdays. In addition, HR reduced the average time to post a vacancy announcement after receipt of recruitment request by 45%, from 26 to 14 work days since November 2003. Through reform in procurement methods and by necessity, USAID has increased the amount of grant and contract dollars managed per procurement employee from $23.5 million in 1992 to $115.7million in 2004, a 491% increase.

Evidence: Statistics Maintained by HR and the office of procurement illustrate efficiency gains in areas other than the one tracked solely by the efficiency measure in this PART.

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA Question Weight: 0%

Explanation: Although programs with similar goals and purposes do exist in other areas of foreign development and assistance, there is currently no reliable basis for comparing the effectiveness of USAID OE/CIF to such programs. No current studies, analyses, or evaluations have attempted to make such comparisons, and in the absence of reliable comparisons between these programs further analysis would be arbitrary, as well as inherently difficult. Despite this, AID should seek opportunities to evaluate its overall level of OE and CIF spending (considering also funds from other AID sources, such as program funds) and, for example, benchmark it to other organizations with similar structures and missions.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: SMALL EXTENT Question Weight20%

Explanation: Independent evaluations do not capture USAIDs major management reforms, underway since 2001, because they are so recent. GAO reported that USAID has an IT investment process that aligns proposed IT investments with the Agency's mission, meets users' needs, and demonstrates economic benefit. The OIG has found: significant improvements in human capital management; substantial progress against nine standards for success in financial management; a clean audit opinion on USAID's FY 2003 financial statements; improved computer security; and progress in IT investment planning and e-government efforts. As further evidence that OE/CIF program improvements are effective, OMB scores of USAID's Exhibit 300 business cases submitted for FY 2005 were consistently higher than those submitted for FY 2004 as a result of implementation of policies and procedures by the Capital Planning and Investment Control (CPIC) Subcommittee for the selection of IT investments.

Evidence: Independent evaluations of OE- and CIF-relevant activity areas include: GAO Report - Information Technology Management: Government-wide Strategic Planning, Performance Measurement, and Investment Management Can Be Further Improved (2004); OIG Standards for Success Accomplishment Report, OMB Scores of USAID's Circular A-11 300 Exhibits

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

4.CA1 **Were program goals achieved within budgeted costs and established schedules?** Answer: YES Question Weight20%

Explanation: Program goals were achieved within established cost and schedule parameters. The performance variances, costs and schedules for the program goals set for the Phoenix Overseas Deployment, Enterprise Architectures, and Procurement System Improvement Projects through April 2004 can be considered within the cost performance index and the schedule performance index for each of the project's current phase in this reporting period.

Evidence: Examples of achieving program goals within cost and on-schedule are illustrated in: Monthly Earned Value Management Reports, Microsoft Project Plan, Monthly Project Status Reporting.

PART Performance Measurements

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal   Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

Measure: Average margin of positive responses over negative responses ("Margin of Victory") on Customer Service Survey for Management Offices

Additional Information: This indicator captures the degree to which USAID meets the goal of customer oriented management services. The "Margin of Victory" is the percentage of positive customer evaluations on how well management services meet their needs minus the percent of negative responses.

Measure Term: Long-term

Year	Target	Actual
2003	Baseline	51.6
2004	54.6	
2005	58.5	
2006	61.7	
2007	64.9	
2008	68	
2009	70.7	

Measure: Average number of calendar days between announcement close and offer

Additional Information: This indicator measures the time it takes to complete the key segment of the recruitment process. Since recruitment is critical for USAID, reducing the time it takes will improve overall staffing by reducing the duration of gaps created by attrition.

Measure Term: Annual

Year	Target	Actual
2003	Baseline	60
2004	31	
2005	29	
2006	26	
2007	24	
2008	21	

Program:	Operating Expenses and Capital Investment Fund (OE/CIF)				
Agency:	United States Agency for International Development				
Bureau:	Policy and Program Coordination/Management				
Type(s):	Direct Federal	Capital Assets and Service Acquisition			

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

Year	Target	Actual
2009	18	

Measure: Percentage of Contract Review Board Reviewed Contracts that Adhere to Guidance

Additional Information: The use of strong procurement practices is critical for the success of USAID's development and humanitarian assistance programs. This measure will serve as a proxy for the quality of contracts by evaluating whether they meet established standards.

Measure Term: Annual

Year	Target	Actual
2004	Baseline	60
2005+	100	

Measure: Procurement Cost-effectiveness Ratio (millions of contract and grant dollars awarded per procurement employee)

Additional Information: This measure helps the agency track efficiency in procurement, an area of significant management concern for the provision of development/humanitarian assistance. Although the FY 2005 target reflects a decrease in the dollars managed by each employee, it reflects ambitious cost control given the improved contract quality targeted above.

Measure Term: Annual

Year	Target	Actual
2004	Baseline	29.6
2005+	27	

Measure: Extent of critical staffing needs met

Additional Information: This new measure, to be operationalized during FY 2005, will address the Agency's ability to identify critical staffing needs and meet them.

Measure Term: Annual

Year	Target	Actual

Measure: Percent of missions not collocated with State receiving targeted physical security enhancements within a given year.

Additional Information: USAID is committed to protection of its workforce and will harden the defenses of the missions for which it is responsible for physical security. This measure will capture USAID's success in completing ongoing physical security enhancements. In particular, it will indicate success for two key phases -- perimeter security (2005-2006) and building exterior and interior equipment upgrades (2007-2009).

Measure Term: Annual

Year	Target	Actual
2005	50%	
2006	50%	

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal   Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

2007	33%
2008	33%
2009	33%

Measure: Percent of missions not collocated with State receiving emergency communication upgrades and lifecycle replacement of systems within a given year. (The first figure indicates the target for upgrades within that year and the second figure indicates the target for lifecycle replacement in that year.)

Additional Information: USAID is measuring the degree to which its planned, regularly scheduled upgrade and replacement of emergency communication systems remains on track. These efforts are critical to maintain the quality of the emergency communications system the agency relies on to increase the safety of staff worldwide.

Measure Term: Annual

Year	Target	Actual
2005	10%/20%	
2006	10%/20%	
2007	10%/20%	
2008	10%/20%	

Measure: Number of information security vulnerabilities per information technology hardware item (e.g. printer, computer)

Additional Information: This measure provide an indicator how well USAID information stored on and processed through its IT systems is protected. USAIDs goal is to continually reduce vulnerabilities through FY 2009.

Measure Term: Annual

Year	Target	Actual
2004	Baseline	1
2005	.5	
2006	.25	
2007	.125	
2008	.0625	

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal   Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

2009	.031

Measure: Percentage of information technology systems certified and accredited

Additional Information: This indicator reflects the degree to which USAID systems meets generally accepted standards for security in support of our goal of keeping information safe from compromise.

Measure Term: Annual

Year	Target	Actual
2004	Baseline	60
2005	80	
2006	80	
2007	100	
2008	100	
2009	100	

Measure: Percentage of Cognizant Technical Officers who are certified

Additional Information: This measure is an indicator of success achieving a well-trained workforce. CTOs, the people that are responsible for technical oversight of grants and contracts, are critical in ensuring that USAID's development and humanitarian assistance dollars are well spent. Having certification means that CTOs are well-trained according to established standards. USAID aims to meet the long-term goal in FY 2009 and has set an interim goal for FY 2005.

Measure Term: Annual

Year	Target	Actual
2004	Baseline	54.5
2005	80	
2006	85	
2007	90	
2008	95	
2009	100	

PART Performance Measurements

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal   Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

Measure: Percentage of employees with performance appraisal plans that link to agency mission, goals and outcomes.

Additional Information: This measure will provide an indicator of the degree to which the performance appraisal system can be used to ensure that staff are assigned to tasks that directly support the agency mission. This will enable managers to hold employee accountable for results appropriate to their responsibility level, with consequences based on performance.

Year	Target	Actual
2004	Baseline	60
05-09		

Measure Term: Annual

Measure: Percentage of Agency-wide recruitment goals met

Additional Information: Success in recruitment is critical for USAID as a significant proportion of the workforce will be eligible for retirement over the next few years. This measure will show how successful USAID is in filling positions that have been vacated through attrition or created to fully meet staffing requirements.

Year	Target	Actual
2003	Baseline	100%of151
2004	>95%of210	
2005	>95%of260	
2006	>95%of270	
2007	100%of180	
2008	100%of180	
2009	100%of180	

Measure Term: Annual

Measure: Total # of Federal Managers' Financial Integrity Act (FMFIA) and auditor-identified material weaknesses identified

Additional Information: Given government-wide audit requirements, this measure reflects the degree to which USAID has effective financial management and demonstrated financial accountability for the program resources we manage.

Year	Target	Actual
2002	Baseline	10

Measure Term: Annual

PART Performance Measurements

Program: Operating Expenses and Capital Investment Fund (OE/CIF)
Agency: United States Agency for International Development
Bureau: Policy and Program Coordination/Management
Type(s): Direct Federal   Capital Assets and Service Acquisition

Section Scores				Rating
1	2	3	4	Moderately
100%	89%	88%	46%	Effective

2003	6
2004	6
2005	5
2006	4
2007	1
2008	0

PROGRAM ID: 10002302

Program Assessment Rating Tool (PART)

Program:	Overseas Private Investment Corporation - Finance
Agency:	International Assistance Programs
Bureau:	Overseas Private Investment Corporation
Type(s):	Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

1.1 **Is the program purpose clear?** Answer: YES Question Weight: 20%

Explanation: OPIC's authorizing language and mission statement clearly state the mission of the OPIC Finance Program to "mobilize and facilitate U.S. private capital participation in the economic and scoial development of less developed countries and areas of the world as well as countries which are transitioning from non-market to market economies." OPIC has made more consistent public statements of its development mission, such as by updating its website to highlight the agency's development focus. It is unclear whether these actions have changed clients perception of OPIC.

Evidence: Section 231 of the Foreign Assistance Act of 1961 (P.L. 87-195), mission statement found in GPRA documents, Congressional testimony, public statements and OPIC brochures and website.

1.2 **Does the program address a specific and existing problem, interest or need?** Answer: YES Question Weight: 20%

Explanation: OPIC's Finance Program is designed to address a specific problem: inadequate access to credit (direct loans and loan guaranties) for direct investment projects in the developing world. The willingness of private sector lending institutions to participate in such projects varies from country to country, and even from sector to sector within countries.

Evidence: Companies applying for OPIC financing must certify that they have failed to find adequate financing from private lending institutions.

1.3 **Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight: 20%

Explanation: OPIC is the primary U.S. government agency that supports private U.S. intestment in developing countries. Multilateral lending institutions also provide similar financing, but to companies from all member countries, not just U.S. companies. Private financial institutions also provide similar financing. However, anecdotal evidence suggests that, in certain countries at least, private financing is available only for shorter periods than OPIC financing, and often not on a project finance basis. However, the recent extension to OPIC of authority to guarantee in local currencies may create some uncertainty about the types of projects it supports versus the types of projects other federal programs support. To address this concern, OPIC and USAID have agreed to conclude an MOU to improve coordination between the agencies guarantee programs.

Evidence: OPIC Finance officers state that private financing often has shorter tenors than comparable OPIC support, and that financing is often not available at all for investments in many developing countries. The company certifications on OPIC finance applications supports these statements. OMB review of OPIC Finance projects, as well as consultations with OPIC and USAID officials suggest some concern about overlap between OPIC and USAID credit programs. In a joint letter to OMB, OPIC and USAID have agreed to conclude an MOU to improve coordination between the agencies guaranty programs and leverage USAID's global presence with OPIC's experience in promoting private sector development.

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight: 20%

Explanation: Private sector lenders are increasingly willing to lend in developing country markets. OPIC believes that this requires it to pioneer new products to stay relevant in current market and world economic conditions. While some anecdotal evidence supports OPIC's view, the evidence also suggests that OPIC's traditional products of direct loans and loan guaranties are still highly relevant and necessary, particularly in more risky markets or industries. On balance, OPIC's Finance Program appears well-designed to assist U.S. development goals through facilitating U.S. direct investment.

Evidence: Analysis of historic Finance activity and OPIC draft paper on new products.

Program: Overseas Private Investment Corporation - Finance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: OPIC Finance attempts to concentrate its activities on agency priority initiatives, such as projects involving U.S. small business, housing, Russia and Central Asia, Sub-Saharan Africa, Mexico, and highly developmental outcomes. At times, these priorities, such as supporting highly developmental projects versus supporting small business projects, have the potential to conflict in certain instances, thereby resulting in support for a project with a lower developmental outcome than might otherwise be the case. The Administration will review and monitor the developmental standards applied to projects to ensure consistent treatment and high standards. Greater transparency could also improve this situation, such as by posting more extensive descriptions of projects on the OPIC website after approval and by enhancing the clarity and depth of reporting to the OPIC Board.

Evidence: OPIC Finance Department Operating Plan 2003, OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and OPIC Strategic Plan 2003-2008 discuss the Finance Program priorities.

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 12%

Explanation: OPIC's Finance Program has recently established specific, quantifiable long-term goals. These goals are outlined in the agency's Strategic Plan. They are comprised of developmental targets, additionality tracking and risk management targets, implementation of OPIC's Small Business Center, and increased efficiency (reduced application processing time) goals. These goals are also incorporated into the Finance Program Operating Plan.

Evidence: The Finance Department Operating Plan 2003 and OPIC Strategic Plan 2003-2008 contain the program's long-term performance measures.

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 12%

Explanation: During the first half of FY 2003, OPIC worked closely with OMB to develop targets and timeframes for achieving the program's long-term performance goals. The targets and timeframes for each long-term measure are specific and ambitious.

Evidence: The Finance Department Operating Plan 2003 and OPIC Strategic Plan 2003-2008 contain the program's long-term performance measures.

2.3 **Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?** Answer: YES Question Weight: 12%

Explanation: The Finance Program has specific annual peformance measures outlined in the department Operating Plan and the agency Annual Performance Plan. These documents include developmental measures, number of small business contracts, new contracts in priority areas, measures of additionality, and efficiency measures.

Evidence: Finance Department Operating Plan 2003, FY2004 Annual Performance Plan and FY2002 Performance Report, Strategic Plan 2003-2008.

Program: Overseas Private Investment Corporation - Finance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 12%

Explanation: OPIC has baselines for four of its performance measures. These measures include: 1) average application processing time; 2) number of host country jobs supported; 3) number of monitored on-going projects that meet OPIC's U.S. effects, environmental and worker rights standards; and 4) the number of small business investors assisted by the Finance Program. Performance targets are sufficiently ambitious and were developed in consultation with OMB. The Finance Program began implementing its new development measures on July 1, 2003.

Evidence: Finance Department Operating Plan 2003, FY2004 Annual Performance Plan and FY2002 Performance Report, Strategic Plan 2003-2008.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 12%

Explanation: OPIC requires finance recipients to report various performance statistics (such as employment generated, host country tax receipts from the project, and local procurement), and with OMB's help, the Finance Program's application now requires information to quantify its performance against its annual and long-term performance goals to effectively measure progress toward achieving developmental impact.

Evidence: OPIC Application for Finance and OPIC Additionality Checklist (required for all projects prior to closing) contain information to assess how the project relates to OPIC's goals. In addition, projects annually submit self-monitoring questionnaires to report on project activities.

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight: 12%

Explanation: Independent evaluations of the Finance Program are not regularly conducted. Two reports have touched on limited aspects of the program: a 1997 GAO Report and a 2003 report by the Institute for International Economics on "Reforming OPIC for the 21st Century." OPIC also regularly receives clean financial audits from outside auditors. Most recently, KPMG provided a clean financial audit of OPIC.

Evidence: GAO Report "Overseas Investment: Issues Related to the Overseas Private Investement Corporation's Reauthorization" (September 1997), Institute for International Economics Report "Reforming OPIC for the 21st Century" (May 2003), and OPIC Annual Reports

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight: 12%

Explanation: OPIC has improved the detail of its budget requests, but still has significant progress to make in linking its budget to the agency's long-term performance goals. For example, the FY 2004 budget request to OMB discussed in general terms how funding would be used to further OPIC's development mission, small business program, and operational efficiency. In FY 2005, OPIC will continue to make progress in this area by incorporating the 2005 Annual Performance Plan into the FY 2005 budget request, and by discussing how the agency will meet its performance targets in FY 2005. Further work will need to be done to fully link OPIC's budget to performance goals.

Evidence: OPIC budget requests and annual Performance Plans contain no linkages between budget and performance goals.

Program: Overseas Private Investment Corporation - Finance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?** Answer: YES Question Weight: 12%

Explanation: OPIC has made significant improvements in its strategic planning. OPIC now has specific developmental and additionality measures in its Annual Plan and Strategic Plan.

Evidence: OPIC Strategic Plan 2003-2008, OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and Finance Program Additionality Checklist

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?** Answer: YES Question Weight: 11%

Explanation: Performance information is collected and tracked throughout the life of the project via a self monitoring questionnaire (required annually) and periodic site visits by OPIC personnel. The finance portfolio is regularly monitored by the Finance Program and OPIC's Risk Management unit.

Evidence: OPIC Self-Monitoring Questionaire, Risk Management unit's internal reports (Quarterly Detail Report on Insurance, Quarterly Portfolio Reports, and Annual Claims Reports), OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and Finance Program Operating Plan

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?** Answer: YES Question Weight: 11%

Explanation: OPIC has instituted new individual evaluation criteria to better manage program activities. In the current employee review cycle (beginning September 2003), Finance Program managers will be evaluated for the first time on the developmental impact of the projects supported. The program's performance goals have been communicated to all finance officers and managers. Each manager is aware that their individual performance evaluation will include a discussion of how their projects performed relative to the program's goals.

Evidence: Revised Individual Performance Plans for FY 2004

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 11%

Explanation: OPIC obligates funds in a timely manner and ensures that funds are apportioned correctly. OPIC's SF-132s are submitted in a timely manner and approved by OMB as required. OPIC's internal controls include a department budget management system that tracks all expenditures as they occur.

Evidence: SF-132 Apportionment Requests and Quarterly Obligation Status Reports.

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES Question Weight: 11%

Explanation: OPIC has instituted new efficiency goals, measured in terms of reduced application processing, or cycle, time. The program's goal is to achieve a 25 percent reduction in cycle time by the end of FY 2008, based on the baseline FY 2002 cycle time. OPIC is also improving the efficiency of its technology program. In FY 2003, OPIC implemented an Investment Review Board process to ensure that all IT funds adequately incorporate agency priorities and business needs. OPIC also plans to rationalize its business management systems to ensure interoperability among all OPIC programs. In FY 2003, OPIC developed and implemented small business processing procedures, with the goal to process all small business applications within 60 days.

Evidence: OPIC Strategic Plan 2003-2008, OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and OPIC FY 2003 Operating Plan.

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES Question Weight: 11%

Explanation: While OPIC receives a "Yes" answer due to improved cooperation with other U.S. government agencies, OPIC must continue making progress to institutionalize collaboration and to fully leverage existing government resources. OPIC recently entered into a Memorandum of Cooperation with the Foreign Commercial Service to facilitate collaboration between OPIC and the FCS on all OPIC-related activites. OPIC has also implemented procedures to ensure that all USAID missions overseas are made aware of OPIC activities. For example, it is now general practice for OPIC Finance Officers to meet with USAID mission directors when on travel to Africa. OPIC is currently negotiating an MOU with USAID to ensure program complementarity. The Finance Program also requires comments from the U.S. Embassy in the host country prior to finalizing any Finance contract. OPIC and the U.S. Small Business Administration have signed an MOA to enhance OPIC's access to small business-sponsored projects.

Evidence: Memorandum of Cooperation Between OPIC and the United States Foreign Commercial Service, joint letter of intent to enter into an MOU from OPIC President Peter Watson and USAID Deputy Administrator Fred Schiek, internal documantation requiring comments from Embassy and a clearance from the State Department prior to closing any finance transaction.

3.6 Does the program use strong financial management practices?

Answer: YES Question Weight: 11%

Explanation: OPIC has received a clean audit opinion for every year of its existence. The Finance Program requires that all projects be approved by a Credit Committee for financial and policy soundness as well as by the Investment Committee and OPIC Board of Directors, depending on the size of the transaction. However, the credit function, including the Credit Committee, has not been sufficiently independent from the Finance program to ensure sound credit decisions on projects. Based on this finding, OPIC has taken steps to improve the independence of the Credit Committee and has agreed that further enhancements would help ensure sound credit decisions. These enhancements include ensuring the independence of the Credit Committee and the credit review process from the deal originating departments.

Evidence: OPIC Annual Reports contain the clean audit opinions. The Quarterly Political Risk Insurance Detail Report and Monthly OPIC Portfolio Report monitor the health of the insurance portfolio.

Program: Overseas Private Investment Corporation - Finance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

3.7 Has the program taken meaningful steps to address its management deficiencies?
Answer: YES
Question Weight: 11%

Explanation: OPIC has taken steps to link the performance of its managers to program strategic goals. OPIC is launching a new senior level (SL) staff category, which is similar to the Senior Executive Service program. The SL category is designed to attract and retain highly qualified individuals and provide continuity between Administrations. In August 2002, OPIC conducted training for all managers and supervisors to instruct them in how to develop measurable performance targets that link to department goals for their employees. The Office of Investment Policy at OPIC has also briefed the Finance Program staff on the new developmental measures.

Evidence: "Developing Performance Standards" training materials, prepared and presented by FPMI Communications, contained specific suggestions and examples for how supervisors and managers can create performance standards and link those standards to Finance Program goals. The material also discussed how managers can use that information to improve program management.

3.CR1 Is the program managed on an ongoing basis to assure credit quality remains sound, collections and disbursements are timely, and reporting requirements are fulfilled?
Answer: YES
Question Weight: 11%

Explanation: The Finance Program is managed on an on-going basis that assures that credit quality remains sound, collections and disbursements are timely, and reporting requirements are fulfilled. OPIC's Portfolio Management unit prepares annual loan reviews and quarterly loan loss reserve and portfolio reporting for top management. OPIC also has a separate Risk Management unit that regularly assesses the health of the finance portfolio. The Finance Program also monitors projects on an individual basis, including site visits when necessary.

Evidence: Quarterly Loan Loss Reviews, Annual Loan Reviews, past-due reports (weekly), and project monitoring reports show that OPIC closely manages credit quality.

3.CR2 Do the program's credit models adequately provide reliable, consistent, accurate and transparent estimates of costs and the risk to the Government?
Answer: YES
Question Weight: 11%

Explanation: OPIC utilizes OMB-approved credit subsidy models and has worked with OMB to improve its existing models to better account for project risk. In FY 2004, the Finance Program is using an enhanced subsidy model. OPIC Finance Program's credit manual enumerates the specific credit procedures and principles for accounting for risk and estimating subsidy. OMB works with OPIC staff on unusual transactions to ensure risk and costs are sufficiently considered.

Evidence: OPIC Credit Manual, auditor reports, and new OMB-approved subsidy model.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?
Answer: SMALL EXTENT
Question Weight: 25%

Explanation: OPIC has installed new long-term performance goals, therefore, data is not yet available. OPIC has tracked some developmental impacts of its projects for over 30 years. In FY 2002, the Finance Program estimates that projects it supported created 6,618 new jobs in developing countries, $1.259 billion in local procurement, and $129 million in host country tax revenues. Based on these results, the program receives a "Small Extent" answer.

Evidence: The FY 2002 Performance Report demonstrates that OPIC has achieved some of its development goals.

Program: Overseas Private Investment Corporation - Finance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight: 25%

Explanation: OPIC has installed new annual performance goals, therefore, data is not yet available. In FY 2002, the Finance Program achieved some of its annual performance goals based on OPIC's previous indicators. For example, in FY 2002 OPIC achieved its goal that 90 percent of new projects would be able to demonstrate host country benefits (jobs and host government revenue), as 93 percent of new projects met this goal. OPIC also achieved its performance goal related to projects with small business sponsors. The number of small business projects exceeded the historical average for this category by 23 percent in FY 2002, when 69 percent of new OPIC projects had small business sponsors.

Evidence: The FY 2002 Performance Report demonstrates that OPIC has achieved some of its annual performance goals.

4.3 **Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?** Answer: LARGE EXTENT Question Weight: 25%

Explanation: The program has installed new efficiency measures, therefore, data is not yet available. However, the program receives a "Large Extent" because it has instituted several reforms. First, the agency has improved its staff evaluation system to explicitly consider the employee's contribution to achieving the programs goals. Second, the program has implemented a 60-day goal for processing small business applications. Third, processing times for all projects has improved from 6.9 months in FY 1999 to 5.8 months in FY 2002. For small business projects only, processing time has decreased from 6.6 months in FY 1999 to 5.7 months in FY 2002.

Evidence: New Individual Performance Plans for FY 2004 and the Finance Program Operating Plan show evidence of improved efficiencies.

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?** Answer: NA Question Weight: 0%

Explanation: There is no other program in the U.S. government or the private sector that has the same developmental purpose and tools as OPIC.

Evidence:

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?** Answer: SMALL EXTENT Question Weight: 25%

Explanation: While few independent evaluations have been conducted, the program receives a "Small Extent" because of the anecdotal evidence contained in an Institute for International Economics Report. For example, the report states, "The new leadership at OPIC has refocused the Corporation on its original missions of facilitating economic development with a determination to complement rather than compete with the private sector.... The OPIC presence thus allows foreign investment projects to move forward that otherwise would never be launched."

Evidence: Institute for International Economics Report "Reforming OPIC for the 21st Century" (May 2003)

PART Performance Measurements

Program: Overseas Private Investment Corporation - Finance

Agency: International Assistance Programs

Bureau: Overseas Private Investment Corporation

Measure: Number of jobs per $1,000,000 invested

Additional Information:

Year	Target	Actual
2003	>20	18.6
2004	>20	
2005	>20	
2006	>24	
2007	>24	
2008	>28	

Measure Term: Annual

Measure: Managerial and professional jobs as a proportion of total jobs created

Additional Information:

Year	Target	Actual
2003	>40%	33%
2004	>40%	
2005	>40%	
2006	>45%	
2007	>45%	
2008	>50%	

Measure Term: Annual

PART Performance Measurements

Program: Overseas Private Investment Corporation - Finance

Agency: International Assistance Programs

Bureau: Overseas Private Investment Corporation

Measure: Efficiency of small business projects as measured by application processing time

Additional Information: Reduce SBC application processing time from time completed application is received

Measure Term: Annual (Efficiency Measure)

Year	Target	Actual
2003	105 days	102 days
2004	90 days	
2005	75 days	
2006	60 days	
2007	60 days	
2008	60 days	

Program ID: 10000388

PART Performance Measurements

Program: Overseas Private Investment Corporation - Finance

Agency: International Assistance Programs

Bureau: Overseas Private Investment Corporation

Measure: Percentage of staff that will receive formal training

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	>40%	
2004	>40%	
2005	>40%	
2006	>45%	
2007	>45%	
2008	>50%	

Measure: Percentage of local ownership of project

Additional Information:

Measure Term: Annual

Year	Target	Actual
2003	>20%	15.5%
2004	>20%	
2005	>20%	
2006	>25%	
2007	>25%	
2008	>30%	

Program Assessment Rating Tool (PART)

Program: Overseas Private Investment Corporation - Insurance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

1.1 Is the program purpose clear? Answer: YES Question Weight: 20%

Explanation: OPIC's authorizing language and mission statement clearly state the mission of the OPIC Insurance Program to "mobilize and facilitate U.S. private capital participation in the economic and scoial development of less developed countries and areas of the world as well as countries which are transitioning from non-market to market economies." OPIC has made more consistent public statements of its development mission, such as by updating its website to highlight the agency's development focus. It is unclear whether these actions have changed clients perceptions of OPIC.

Evidence: Section 231 of the Foreign Assistance Act of 1961 (P.L. 87-195), mission statement found in GPRA documents, Congressional testimony, public statements and OPIC brochures and website.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight: 20%

Explanation: OPIC's Insurance Program strives to provide insurance to projects only if there is insufficient capacity in the private political risk insurance market. Private insurers generally do not extend political risk coverage to small business, for example.

Evidence: OPIC's Application for Political Risk Insurance requires applicants to certify that they have first sought insurance from the private market. Applicants are asked to explain why terms, conditions, rates or tenor are unacceptable. OPIC's participation in the project depends on the answers provided in the application. (See question 2.5 below.)

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort? Answer: YES Question Weight: 20%

Explanation: While no other federal, state or local agency provides political risk insurance, the Multilateral Insurance Guaranty Agency (MIGA), an arm of the World Bank, does provide essentially the same coverages as OPIC provides. However, MIGA provides insurance to companies from all World Bank member countries, while OPIC insures investment connected with the United States. While private companies also provide political risk insurance, OPIC's Insurance Program has instituted meaningful procedures to make it more likely that it complements the private sector, rather than competes with or displaces private sector insurance. For example, OPIC ensures that private insurers in the United States are given an opportunity to insure or participate in virtually every transaction that comes to OPIC. (However, see the issues identified in Question 2.5.) Private insurance is not available in many countries where OPIC operates.

Evidence: OPIC Private Insurer Cooperation Program and the OPIC Application for Political Risk Insurance outline the procedures for ensuring OPIC does not compete with the private sector.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency? Answer: YES Question Weight: 20%

Explanation: OPIC's Insurance Program operates under standards that are consistent with underwriting standards in the private political risk insurance market. One area of potential concern, however, is the co-mingling of investment guaranties with political risk insurance found in the new Non-Honoring of Sovereign Guaranty product. While OPIC's mission and historic practice has been to facilitate private investment, OPIC has entered the sovereign guaranty market with this new product. The Non-Honoring product is currently being reviewed by an interagency working group.

Evidence: Interviews with private insurers and information gained through the Berne Union confirm OPIC's underwriting standards.

Program: Overseas Private Investment Corporation - Insurance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?

Answer: YES — Question Weight: 20%

Explanation: OPIC's Insurance Program provides insurance to companies that would not otherwise be able to access private sources of political risk insurance. The program is targeted to U.S. companies, large and small, that are investing in developing countries. Pursuant to OPIC's Private Insurer Cooperation Program, all applicants are required to first seek political risk insurance from the U.S. private insurance market. Depending on the availability of such insurance in the private market, OPIC will participate in a transaction to the extent OPIC's support is additional. (But see the issues identified in Question 2.5.) OPIC's internal documentation includes an additionality checklist that must be completed for all transactiions.

Evidence: Section 231 of the Foreign Assistance Act of 1961 (P.L. 87-195), OPIC Private Insurer Cooperation Program, Additionality Checklist

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?

Answer: YES — Question Weight: 12%

Explanation: OPIC's Insurance Program has recently established specific, quantifiable long-term goals. These goals are outlined in the agency's Strategic Plan. They are comprised of developmental targets, additionality tracking and risk management targets, implementation of OPIC's Small Business Center, and increased efficiency (reduced application processing time) goals. These goals are also incorporated into the Insurance Program Operating Plan.

Evidence: OPIC 2003-2008 Strategic Plan and 2003 Insurance Operating Plan.

2.2 Does the program have ambitious targets and timeframes for its long-term measures?

Answer: YES — Question Weight: 12%

Explanation: During the first half of FY 2003, OPIC worked closely with OMB to develop targets and timeframes for achieving the program's long-term performance goals. The targets and timeframes for each long-term measure are specific and ambitious.

Evidence: OPIC 2003-2008 Strategic Plan and OPIC FY 2003 Annual Performance Plan

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?

Answer: YES — Question Weight: 12%

Explanation: The Insurance Program has specific annual peformance measures outlined in the department Operating Plan and the agency Annual Performance Plan. These documents include developmental measures, number of small business contracts, new contracts in priority areas, measures of additionality, and efficiency measures.

Evidence: 2003 Insurance Operating Plan and OPIC FY 2003 Annual Performance Plan

Program: Overseas Private Investment Corporation - Insurance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				**Overall Rating**
1	2	3	4	Adequate
100%	75%	100%	42%	

2.4 **Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 12%

Explanation: OPIC has baselines for four of its performance measures. These measures include: 1) average cycle time baseline of 372 days per insurance deal; 2) number of host country jobs supported; 3) number of monitored on-going projects that meet OPIC's U.S. effects, environmental and worker rights standards (100 percent compliance); and 4) the number of small business investors assisted by the Insurance Program (25 percent increase over the baseline of 36 percent of new contracts in FY 2002). Performance targets are sufficiently ambitious and were developed in consultation with OMB. The Insurance Program began implementing its new development measures on July 1, 2003.

Evidence: OPIC FY 2003 Annual Performance Plan. OPIC's FY 2002 Annual Performance Report contains additional performance data using the agency's previous performance measures.

2.5 **Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 12%

Explanation: OPIC requires its insurance clients to provide information on availability of private insurance and to complete extensive questions regarding the developmental impact of their projects. The Insurance Program also includes an additionality checklist in its internal documentation which must be completed satisfactorily prior to contract execution. While the program has significantly improved its additionality procedures and policies, the program gives clients discretion in determining what private terms, conditions, rates, and tenor are "insufficient" or "unreasonable," which allows a client to reject private insurance and instead purchase OPIC insurance. The operation of the additionality procedures will need to be monitored to determine whether this discretion is undermining the policy's effectiveness.

Evidence: OPIC Application for Political Risk Insurance (revised to include developmental questionnaire), OPIC additionality checklist (required for all projects prior to closing).

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: NO Question Weight: 12%

Explanation: Independent evaluations of the Insurance Program are not regularly conducted. Two reports have touched on limited aspects of the program: a 1997 GAO Report and a 2003 report by the Institute for International Economics on "Reforming OPIC for the 21st Century." OPIC also regularly receives clean financial audits from outside auditors. Most recently, KPMG provided a clean financial audit of OPIC.

Evidence: GAO Report "Overseas Investment: Issues Related to the Overseas Private Investement Corporation's Reauthorization" (September 1997), Institute for International Economics Report "Reforming OPIC for the 21st Century" (May 2003), and OPIC Annual Reports

Program:	Overseas Private Investment Corporation - Insurance	**Section Scores**				**Overall Rating**
Agency:	International Assistance Programs	1	2	3	4	Adequate
Bureau:	Overseas Private Investment Corporation	100%	75%	100%	42%	
Type(s):	Credit					

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO — Question Weight: 12%

Explanation: OPIC has improved the detail of its budget requests, but still has significant progress to make in linking its budget to the agency's long-term performance goals. For example, the FY 2004 budget request to OMB discussed in general terms how funding would be used to further OPIC's development mission, small business program, and operational efficiency. In FY 2005, OPIC will continue to make progress in this area by incorporating the 2005 Annual Performance Plan into the FY 2005 budget request, and by discussing how the agency will meet its performance targets in FY 2005. Further work will need to be done to fully link OPIC's budget to performance goals.

Evidence: OPIC budget requests and annual Performance Plans contain no linkages between budget and performance goals.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?**

Answer: YES — Question Weight: 12%

Explanation: OPIC has made significant improvements in its strategic planning. OPIC now has specific developmental and additionality measures in its Annual Plan and Strategic Plan.

Evidence: OPIC Strategic Plan 2003-2008, OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and Insurance Program Additionality Checklist

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES — Question Weight: 12%

Explanation: Performance information is collected and tracked throughout the life of the project via a self monitoring questionnaire (required annually) and periodic site visits by OPIC personnel. The insurance portfolio is regularly monitored by the insurance unit and OPIC's Risk Management unit.

Evidence: OPIC Self-Monitoring Questionaire, Risk Management unit's internal reports (Quarterly Detail Report on Insurance, Quarterly Portfolio Reports, and Annual Claims Reports), OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and Insurance Program Operating Plan

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES — Question Weight: 12%

Explanation: OPIC has instituted new individual evaluation criteria to better manage program activities. In the current employee review cycle (beginning September 2003), Insurance Program and its personnel will be evaluated for the first time on the developmental impact of the projects supported. The program's performance goals have been communicated to all insurance officers and managers. Each employee is aware that their individual performance evaluation will include a discussion of how their projects performed relative to the program's goals.

Evidence: Revised Individual Performance Plans for FY 2004

Program: Overseas Private Investment Corporation - Insurance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?** Answer: YES Question Weight: 12%

Explanation: OPIC obligates funds in a timely manner and ensures that funds are apportioned correctly. OPIC's SF-132s are submitted in a timely manner and approved by OMB as required. OPIC's internal controls include a department budget management system that tracks all expenditures as they occur.

Evidence: SF-132 Apportionment Requests and Quarterly Obligation Status Reports.

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?** Answer: YES Question Weight: 12%

Explanation: OPIC has instituted new efficiency goals, measured in terms of reduced application processing, or cycle, time. The program's goal is to achieve a 20 percent reduction in cycle time by the end of FY 2008, based on the baseline FY 2002 cycle time. OPIC is also improving the efficiency of its technology program. In FY 2003, OPIC implemented an Investment Review Board process to ensure that all IT funds adequately incorporate agency priorities and business needs. OPIC also plans to rationalize its business management systems to ensure interoperability among all OPIC programs. In FY 2003, OPIC developed and implemented small business processing procedures, with the goal to process all small business applications within 60 days.

Evidence: OPIC Strategic Plan 2003-2008, OPIC FY 2004 Annual Performance Plan and FY 2002 Performance Report, and OPIC FY 2003 Operating Plan.

3.5 **Does the program collaborate and coordinate effectively with related programs?** Answer: YES Question Weight: 12%

Explanation: While OPIC receives a "Yes" answer due to improved cooperation with other U.S. government agencies, OPIC must continue making progress to institutionalize collaboration and to fully leverage existing government resources. OPIC recently entered into a Memorandum of Cooperation with the Foreign Commercial Service to facilitate collaboration between OPIC and the FCS on all OPIC-related activites. OPIC has also implemented procedures to ensure that all USAID missions overseas are made aware of OPIC activities. For example, it is now general practice for OPIC Insurance Officers to meet with USAID mission directors when on travel to Africa. OPIC is currently negotiating an MOU with USAID to ensure program complementarity. The Insurance Program also requires comments from the U.S. Embassy in the host country prior to finalizing any insurance commitment or contract. OPIC and the U.S. Small Business Administration have signed an MOA to enhance OPIC's access to small business-sponsored projects. OPIC collaborates with MIGA and private insurers through the Berne Union.

Evidence: Memorandum of Cooperation Between OPIC and the United States Foreign Commercial Service, joint letter of intent to enter into an MOU from OPIC President Peter Watson and USAID Deputy Administrator Fred Schiek, internal documantation requiring comments from Embassy and a clearance from the State Department prior to closing any insurance transaction.

Program: Overseas Private Investment Corporation - Insurance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

3.6 **Does the program use strong financial management practices?** Answer: YES Question Weight: 12%

Explanation: OPIC has received a clean audit opinion for every year of its existence. Most recently OPIC was awarded a clean audit opinion by the independent company KPMG LLP on December 18, 2002. The Insurance Program requires that all projects be approved by a Policy Review Committee for financial and policy soundness as well as by the Investment Committee and OPIC Board of Directors, depending on the size of the transaction. OPIC also has a separate Risk Management unit that regularly assesses the health of the insurance portfolio. Finally, The Insurance Program's overall recovery record of 94 percent indicates sound financial management.

Evidence: OPIC Annual Reports contain the clean audit opinions. The Quarterly Political Risk Insurance Detail Report and Monthly OPIC Portfolio Report monitor the health of the insurance portfolio.

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight: 12%

Explanation: OPIC has taken steps to link the performance of its managers to program strategic goals. OPIC is launching a new senior level (SL) staff category, which is similar to the Senior Executive Service program. The SL category is designed to attract and retain highly qualified individuals and provide continuity between Administrations. In August 2002, OPIC conducted training for all managers and supervisors to instruct them in how to develop measurable performance targets that link to department goals for their employees. The Office of Investment Policy at OPIC has also briefed the Insurance Program staff on the new developmental measures.

Evidence: "Developing Performance Standards" training materials, prepared and presented by FPMI Communications, contained specific suggestions and examples for how supervisors and managers can create performance standards and link those standards to Insurance Program goals. The material also discussed how managers can use that information to improve program management.

3.CR1 **Is the program managed on an ongoing basis to assure credit quality remains sound, collections and disbursements are timely, and reporting requirements are fulfilled?** Answer: NA Question Weight: 0%

Explanation: Because the Insurance Program is generally not subject to the Federal Credit Reform Act, it has not managed credit programs in the past. This question is therefore not applicable. However, OPIC has placed a new Non-Honoring of Sovereign Guaranty product that is subject to the Federal Credit Reform Act under the responsibility of the Insurance Program.

Evidence:

3.CR2 **Do the program's credit models adequately provide reliable, consistent, accurate and transparent estimates of costs and the risk to the Government?** Answer: YES Question Weight: 12%

Explanation: OPIC has placed the responsibility for providing a new product, the Non-Honoring of Sovereign Guaranty, within the Insurance Program. The Non-Honoring Guaranty is subject to the Federal Credit Reform Act, and OMB has approved a subsidy model for the product. Because the product is new, it is unclear how accurately the model captures the risk to the Government at this time.

Evidence: OMB-approved Non-Honoring of Sovereign Guaranty Model.

Program: Overseas Private Investment Corporation - Insurance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				Overall Rating
1	2	3	4	Adequate
100%	75%	100%	42%	

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?

Answer: SMALL EXTENT — Question Weight: 25%

Explanation: OPIC has installed new long-term performance goals, therefore, data is not yet available. OPIC has tracked the some developmental impacts of its projects for over 30 years. In FY 2002, the Insurance Program estimates that projects it supported created 1,249 new jobs in developing countries, $159.3 million in local procurement, and $13.2 million in host country tax revenues. Based on these results, the program receives a "Small Extent" answer.

Evidence: The FY 2002 Performance Report demonstrates that OPIC has achieved some of its development goals.

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: SMALL EXTENT — Question Weight: 25%

Explanation: OPIC has installed new annual performance goals, therefore, data is not yet available. In FY 2002 the Insurance Program achieved some of its annual performance goals based on OPIC's previous indicators. For example, the number of new insurance contracts exceeded the annual goal by 30 percent and the number of contracts with small businesses exceeded the goal by 133 percent.

Evidence: The FY 2002 Performance Report demonstrates that OPIC has achieved some of its annual performance goals.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: LARGE EXTENT — Question Weight: 25%

Explanation: The program has installed new efficiency measures, therefore, data is not yet available. However, the program receives a "Large Extent" because it has instituted several reforms. First, the agency has improved its staff evaluation system to explicitly consider the employee's contribution to achieving the programs goals. Second, the program has shortened its Application for Political Risk Insurance, thereby making OPIC programs more user-friendly and likely reducing processing time. Third, insurance signing authority has been moved to a lower level in the department and policy review has been greatly streamlined: from a panel decision to a manager decision. Fourth, prospective insurance applicants can now apply on-line, greatly expediting processing.

Evidence: OPIC Application for Political Risk Insurance, New Individual Performance Plans for FY 2004 and the OPIC Website show evidence of improved efficiencies.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?

Answer: NA — Question Weight: 0%

Explanation: There is no other program in the U.S. government or the private sector that has the same developmental purpose and tools as OPIC.

Evidence:

Program: Overseas Private Investment Corporation - Insurance
Agency: International Assistance Programs
Bureau: Overseas Private Investment Corporation
Type(s): Credit

Section Scores				**Overall Rating**
1	2	3	4	Adequate
100%	75%	100%	42%	

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: SMALL EXTENT

Question Weight: 25%

Explanation: While few independent evaluations have been conducted, the program receives a "Small Extent" because of the anecdotal evidence contained in an Institute for International Economics Report. For example, the report states, "The new leadership at OPIC has refocused the Corporation on its original missions of facilitating economic development with a determination to complement rather than compete with the private sector.... The OPIC presence thus allows foreign investment projects to move forward that otherwise would never be launched."

Evidence: Institute for International Economics Report "Reforming OPIC for the 21st Century" (May 2003)

PART Performance Measurements

Program: Overseas Private Investment Corporation - Insurance

Agency: International Assistance Programs

Bureau: Overseas Private Investment Corporation

Measure: Number of jobs created per $1 million invested.

Additional Information: This target first developed for FY04. However, job creation data has been collected for insurance projects for many years.

Measure Term: Annual

Year	Target	Actual
2001		15
2002		18
2003		
2004	20	
2005	20	
2006	24	
2007	24	
2008	28	

Measure: Percentage of on-going OPIC projects monitored for compliance with OPIC's U.S. effects, environmental, and worker rights standards.

Additional Information:

Measure Term: Annual

Year	Target	Actual
2001		
2003		95%
2004	100%	
2005	100%	
2006	100%	
2007	100%	

PART Performance Measurements

Program: Overseas Private Investment Corporation - Insurance

Agency: International Assistance Programs

Bureau: Overseas Private Investment Corporation

Measure: Percentage of on-going OPIC projects monitored for compliance with OPIC's U.S. effects, environmental, and worker rights standards.

Additional Information:

Year	Target	Actual
2008	100%	

Measure Term: Annual

Measure: Additionality: Percentage of new projects that would not have gone forward but for OPIC's participation.

Additional Information: This target first developed for FY05. Targets: develop methodology in FY03, establish baseline in FY04.

Year	Target	Actual
2003		

Measure Term: Annual

Measure: Efficiency of small business projects as measured by application processing time.

Additional Information: Reduce SBC application processing time from time completed application is received

Year	Target	Actual
2003		77 days
2004	90 days	
2005	75 days	
2006	60 days	
2007	60 days	

Measure Term: Annual (Efficiency Measure)

PART Performance Measurements

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau: Democracy, Conflict, and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

1.1 Is the program purpose clear? Answer: YES Question Weight 20%

Explanation: The program purpose is clear. USAID's goal is to increase the impact of food aid in reducing hunger and food insecurity. The legislation governing Title II, the Food Aid and Food Security Policy Paper and the FY 1997-2001 Strategic Plan are key documents clarifying the program purpose. The Strategic Objective (SO) of Title II emergency food aid is to "meet critical food needs of targeted groups." The purpose of the Title II development (non-emergency) food aid program is to increase food security for vulnerable populations. This has been translated into the process-oriented SO of Title II development food aid to Increase the effectiveness of Food for Peace (FFP) partners in carrying out Title II development activities with measurable results related to food security with a primary focus on household nutrition and agricultural productivity.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; the Agricultural Trade Development and Assistance Act of 1954 (PL 480 Title II governing legislation); PL 480 Title II Development Program Policies ; FFP Strategic Plan

1.2 Does the program address a specific interest, problem or need? Answer: YES Question Weight 20%

Explanation: The program addresses the specific problems of malnutrition, hunger, and food insecurity among the most vulnerable foreign populations. The legislation governing Title II, the Food Aid and Food Security Policy Paper and the FY 1997-2001 Strategic Plan are key documents clarifying the program purpose. The emergency program focuses on crisis situations (natural or complex emergencies) where specific at-risk populations are targeted. The development (non-emergency) programs emphasize longer term impact on malnutrition and food insecurity including, among others, child survival, nutrition education and community development activities.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; PL 480 Title II Development Program Policies; FFP Strategic Plan

1.3 Is the program designed to have a significant impact in addressing the interest, problem or need? Answer: YES Question Weight 20%

Explanation: The program is designed to have a significant impact in addressing food insecurity. Program activities are focused on areas which address malnutrition, hunger and food insecurity. The emergency component can respond to quick-onset disasters and protracted complex emergencies. For emergencies, food can be moved with a relatively short lead time into affected regions. The food is moved through private voluntary organizations (PVOs) and non-governmental organizations (NGOs) and the U.N. World Food Programme (WFP) who have in-country presence and an extensive network of local partners. The development program seeks to increase household food security by promoting sustainable agriculture and nutritional improvements, especially for women and children. USAID integrates Title II with some financial and other USAID resources related to maternal and child health, HIV/AIDs, agriculture, microenterprise, education, natural resource management, water and sanitation.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; PL 480 Title II Development Program Policies ; U.S. International Food Assistance Report; FFP Strategic Plan; R4; FY 01 Agency Performance Report

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau: Democracy, Conflict, and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

1.4 **Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?**

Answer: YES Question Weight 20%

Explanation: With respect to U.S. emergency food aid in particular, the Title II contribution is unique. To organize a major international emergency program and to implement it through WFP requires U.S. government involvement. In addition, USAID food aid programs have the capacity for synergies based on USAID's overseas presence and technical expertise with other development assistance (DA) such as health, nutrition, agriculture, agro-forestry, and microenterprise. On the non-emergency side, some observers have argued that many projects, particularly those involving monetization, fall more into the sphere of DA and therefore may not be not unique because DA could be substituted. USAID has an ongoing review to redirect future non-emergency projects toward priority food security objectives. U.S. private donations as well as foreign counterpart private and public institutions also have food aid programs. In addition, while USDA also implements food aid programs, USAID has the lead role in emergency programs. USAID is the largest program that has the capacity to integrate food aid with sustainable development.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; PL 480 Title II Development Program Policies ; U.S. International Food Assistance Report; FFP Strategic Plan; R4; FY 2001, FY 2002 Agency Performance Report, discussions with GAO

1.5 **Is the program optimally designed to address the interest, problem or need?**

Answer: NO Question Weight 20%

Explanation: The program generally allows effective cooperation between USAID and its cooperating sponsors (PVOs, NGOs, WFP). However, USAID continues to seek improvements. Several congressional mandates support other policy objectives and make program goals more difficult or costly to achieve. For example, cargo preference requirements increase delivery cost and time. Minimum and sub-minimum tonnage requirements decrease FFP's ability to respond flexibly to changing global needs, particularly in emergencies. Tonnage minimums may be difficult to attain depending on U.S. market conditions. Changes in cost recovery rules for monetized programs potentially lower program revenues. Monetized sales often generate less than the USG cost of providing the food. Legislation prohibits solely cash grants. Monetization, a non-transparent and unreliable funding source, has risen in recent years in order to provide funds for non-commodity project components. USAID 5-year or longer development project agreements permit a longer horizon to obtain more measurable results but reduce funding flexibility. More USAID program integration would be beneficial.

Evidence: FACG Minutes; PL 480 Title II governing legislation; U.S. International Food Assistance Report; FFP Strategic Plan; Food Aid and Food Security Policy Paper; Audits, such as USAID/OIG Audit on Cargo Preference; R4s, Food Aid: Experience of U.S. Programs Suggest Opportunities for Improvement, discussions with GAO, GAO reports.

Program:	Public Law 480 Title II Food Aid
Agency:	United States Agency for International Development
Bureau:	Democracy, Conflict, and Humanitarian Assistance
Type(s):	Competitive Grant

Section Scores				**Rating**
1	2	3	4	Adequate
80%	86%	64%	46%	

2.1 **Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?**

Answer: YES

Question Weight: 14%

Explanation: The FFP Strategic Plan states its overarching goals through its two strategic objectives (SO) stated in I.1. The strategic plan covers a five year time frame, which is adequate time to track achievement of the goals. The emergency SO is to meet the critical food needs of targeted groups (vulnerable groups identified as needing assistance at the time of proposal submission). Because USAID believes that is is more difficult to assess the impact of non-emergency programs on food security, and because PVOs (rather than USAID) implement programs, the current development SO focuses on improving PVO capabilities to carry out programs with results related to food security, with focus on household nutrition and agriculture productivity (process, rather than outcome related). USAID is developing a new strategic plan and is currently reviewing its approach to performance goals and indicators of food insecurity.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; FFP Strategic Plan; R4s; SO II list of generic indicators

2.2 **Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?**

Answer: YES

Question Weight: 14%

Explanation: The FFP Strategic Plan states goals and targets. Both emergency and development programs have annual targets for progress toward achieving long term goals. The annual development goals address several sectors such as maternal and child health and nutrition and water and sanitation. Generic Title II indicators are used and can be tailored to each development food aid project in consultation with PVOs. (PVOs and missions are given flexibility in proposing activities that they believe will have the greatest impact on food security.) The emergency and development performance data collected are analyzed annually and reported in the Results Review/Annual Reports. Because performance may be measured differently across projects depending on available data and other factors, projects' contributions to Title II long-term goals are difficult to assess. Except for certain missions that roll up food aid results into their overall country results, the overall measure is percent of reported project targets achieved. Alternative methods for capturing achievement across Title II programs are under review.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; FFP Strategic Plan; Annual Report; Agency Performance Report; SO II list of generic indicators

Program: Public Law 480 Title II Food Aid

Agency: United States Agency for International Development

Bureau: Democracy, Conflict, and Humanitarian Assistance

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

2.3 **Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?**

Answer: YES — Question Weight: 14%

Explanation: FFP undertook an extensive consultative process in developing its performance indicators in 1996/97, and continued the regular dialogue in operationalizing the results framework. FFP partners are engaged in the current program planning and development of the follow-on Strategic Plan and are supportive of the long term goals of the program. Bi-annual discussions at the Food Aid Consultative Group (FACG) provide opportunities for collaboration on issues and discussion on current issues. Any policy changes are vetted through the PVO community who can provide feedback when items are listed on the Federal Register. Current efforts to update the strategic plan are being undertaken in a highly collaborative manner with PVO participation. USAID has tried to strengthen linkages to Agency objectives and appropriate programmatic and financial oversight. PVOs have sought and obtained legislatively more flexibility in those same areas, for example, limiting USAID's ability to achieve benchmark cost recovery on monetized development food aid programs.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; FFP Strategic Plan; Annual Report; FACG minutes; R4s

2.4 **Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?**

Answer: YES — Question Weight: 14%

Explanation: FFP, USDA and State, among others, participate on the Food Aid Policy Committee (FAPC) whose role is to coordinate food aid programs, although coordination could be improved. FFP holds bi-annual consultations with WFP to review program goals and objectives. Within FFP, more improvement is needed with transition guidance and communication between emergency and development programs. Additional coordination and integration of food aid with USAID development and disaster assistance is needed. More USAID missions need to integrate food aid into mission objectives or activities. Cross-bureau communications and program integration are improving under the Agency reorganization and new initiatives are under development. Interagency coordination by agencies including State Department has room for improvement particularly on consultation and coordination with other donor counterparts on burden-sharing and with recipient countries about their policies that may exacerbate famine conditions.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; FFP Strategic Plan; Annual Report; WFP consultation minutes; discussions with GAO

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau: Democracy, Conflict, and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

2.5 **Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?** Answer: YES Question Weight: 14%

Explanation: Development program key evaluations take place in the final year (based on performance relative to baselines established for each project with the cooperating sponsor). Evaluations of emergency programs are undertaken as needed. FFP programs have been evaluated by independent sources that include GAO, USAID OIG and FANTA (Food and Nutrition Technical Assistance project). Monitoring and evaluation systems have been developed to focus on reporting to the Mission and FFP. Incorporation of a systematic management agenda for external evaluations is needed and will be added in the future. PVOs final reports on food aid projects, but not mid-term reports, require an external review. The terms of reference that PVOs set for performance evaluations by external consultants are improving. USAID's last large-scale internal evaluation of humanitarian aid, including emergency food aid, was undertaken in December 2000 (CDIE).

Evidence: FANTA Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program (FAFSA); GAO reports, AID OIG Audits; CDIE evaluation

2.6 **Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?** Answer: NO Question Weight: 14%

Explanation: The program budget is not aligned so that the impact of the funding, policy and legislative changes on performance is readily known.

Evidence: PL 480 Title II governing legislation, discussions with USAID

2.7 **Has the program taken meaningful steps to address its strategic planning deficiencies?** Answer: YES Question Weight: 14%

Explanation: FFP has reviewed lessons learned from implementing its Strategic Plan of 1997-2001 to be incorporated into the new one. While the framework for emergency food aid was a useful and effective monitoring tool, there were problems in measuring the impact of development food aid. The new strategic plan currently under development is expected to improve performance goals, indicators and targets by removing some that are no longer meaningful and by reviewing ways to allow better evaluation of overall performance results. FFP has met several times with its partners to develop a vision and address strategic planning deficiencies and emerging issues that should be incorporated. The Annual Report reflects regular refinements of performance indicators as experience is gained in measuring food aid outcomes.

Evidence: Food Aid and Food Security Policy Paper ; Report of the Food Aid and Food Security Assessment: A review of Title II Development Food Aid Program; PL 480 Title II governing legislation; FFP Strategic Plan; Annual Report; Draft FY 2003 Strategic Framework

PART Performance Measurements

Program: Public Law 480 Title II Food Aid

Agency: United States Agency for International Development

Bureau: Democracy, Conflict, and Humanitarian Assistance

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES — Question Weight: 9%

Explanation: While FFP requires its implementing partners to provide timely and credible performance data through its regular reporting system, FFP is working with its implementing partners to improve the timeliness of reports. USAID has not made tracking implementing partners' compliance or report verification a budget priority. Nonetheless, annual performance reports provide some program results based on information from implementing partners. Verification is done partly through USAID field visits. While USAID was tracking the information (FY1997-FY2000), compliance was improving. Those data indicated an improvement in the quality and validity of CSs monitoring and reporting systems. USAID noted, for example in its 2001 Annual Report that emergency program reporting is declining. For development food aid, performance targets are currently set on a case-by-case basis for each project and overall results (on percent of targets achieved) are based on those who report. USAID needs to make more progress in collecting and presenting generic Title II results at a country level at least.

Evidence: Annual report, R4s, guidelines, Transfer Authorization (grant agreement) for emergency food aid; FANTA

3.2 **Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?**

Answer: NO — Question Weight: 9%

Explanation: While there is a chain of authority for scheduling for food aid delivery -- from freight forwarders to actual discharge ports -- there is little information on how USAID is held accountable, particularly for cost and schedule results (beyond the normal personnel performance evaluation process). FFP also tracks program approvals. Audits have been done of selected programs (FFP, PVOs) reviewing commodity losses, packaging and condition of food once it arrives. USAID holds an annual training workshop for staff, program grantees, and contractors on program guidelines. While past performance of implementing partners is part of the review process to renew programs, failure to provide annual performance results in a timely manner can but does not necessarily affect project continuation or funding.

Evidence: Guidelines; OIG Audits; FFPIS Shipping Logistics Status report

3.3 **Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES — Question Weight: 9%

Explanation: Title II funds are obligated continually. The program approvals (CSR4s) are followed closely and PVOs are supposed to follow program implementation requirements. Required reporting, evaluations, monitoring visits, and audits help ensure that funds are spent for the intended purpose. FFP has clear policies for reprogramming in-country development food commodities to meet unforeseen emergencies. A certain number of projects each year either are not started, use less food than anticipated, or are terminated. In these cases, funds are reprogrammed to priority areas. With respect to project commitments (as opposed to budgetary obligations), the five-year or more project horizon limits flexibility in shifting funds to meet changing priorities.

Evidence: Guidelines; OIG Audits; Year end financial documentation

Program: Public Law 480 Title II Food Aid

Agency: United States Agency for International Development

Bureau: Democracy, Conflict, and Humanitarian Assistance

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

3.4 **Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: NO Question Weight: 9%

Explanation: FFP has not submitted a capital investment plan or gone through USAID's IT planning process approval for FFP's current IT investment (FFPIS) plans. FFP is collaborating with USDA on new food aid reporting system, Food Aid Reporting Entry System (FARES), which FFP expects to eventually replace part of FFPIS. Pilot testing has taken place. For emergency food aid, cost efficiencies are a lower priority than timely delivery of appropriate foodstuffs to vulnerable populations. Monetization expanded, though the trend should be reversing. Monetization may not achieve full cost recovery and is not the least-cost means to deliver most projects' desired outcomes. The FY 05 BPBS guidance asks bureaus and missions to address how rationalizing monetization will affect their programs. USAID is reviewing to improve resource targeting (Title II and DA) and cost efficiencies. In other areas, FFP has sought to increase its management efficiency, e.g., managing an emergency grant through a single PVO representative of a PVO consortium. Joint monetization efforts also achieve efficiencies through combined PVO efforts that reduce duplicative operations.

Evidence: FY 05 BPBS guidance

3.5 **Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?**

Answer: NO Question Weight: 9%

Explanation: The Agency is in the process of developing the capacity for activity cost accounting. USAID has not made this a funding priority.

Evidence:

3.6 **Does the program use strong financial management practices?**

Answer: NO Question Weight: 9%

Explanation: USDA and USAID have not coordinated such that dates and cost of a project commodity shipment from start to finish are known and shared in a timely manner. Consistent final numbers are not produced although USAID notes that discrepancies have dropped sharply. In addition, neither agency is able to identify in a consistent fashion the timing of each step of commodity movement (such as the date that a PVO places a call-forward). PVOs are required to have independent audits of their financial activities. As a U.N. organization, WFP is not subject to U.S. audit requirements but is subject to its own independent audit process. GAO has raised concerns about how WFP accounts for certain expenditures.

Evidence: Discussions with GAO, GAO Report GAO-02-328

3.7 **Has the program taken meaningful steps to address its management deficiencies?**

Answer: YES Question Weight: 9%

Explanation: FFP is taking steps to address some of its management deficiencies. It has sought to improve pre-positioning of food commodities to respond more rapidly to sudden onset disasters. Several working groups have been addressing management improvements based on in the 2002 Farm Bill. These include a technology group to help implement an upgrade to the FFPIS, the streamlining group, to assess process improvements, and the Vision and Strategy Group to develop a new Strategic Plan. The FACG has a commodity work group to address issues for improvement on commodity management. FANTA formulated several recommendations to incorporate management improvements in a 2002 report. The Vision and Strategy Working Group is addressing the deficiencies of measuring the impact of development food aid.

Evidence: FFP Conference Minutes; R4s; 3/03 Interim Report to Congress on Streamlining

PART Performance Measurements

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau: Democracy, Conflict, and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

3.CO1 **Are grant applications independently reviewed based on clear criteria (rather than earmarked) and are awards made based on results of the peer review process?**

Answer: YES — Question Weight: 9%

Explanation: Grant applications are reviewed based on clear, published criteria. The DAP guidelines provide parameters and policy direction for PVOs to submit development proposals. The Emergency Food Proposal and Reporting Guidelines specify emergency review criteria. The review criteria include whether the activity will address the identified problem, proposed use of the aid, target population, the exit strategy, how performance will be measured, capacity of the organization and cost issues. Legislated requirements such as noted in I.5 prevent a more competitive process or a process and limit USAID's ability to award contracts optimally. Pillar bureaus and missions have expanded their participation in proposal reviews.

Evidence: FY 2003 DAP Guidelines; PVO Guidelines for Title II Emergency Food Proposals and Reporting

3.CO2 **Does the grant competition encourage the participation of new/first-time grantees through a fair and open application process?**

Answer: YES — Question Weight: 9%

Explanation: Grantees largely consist of a small number of PVOs that have specialized in food aid. However, the competition is open to first time grantees. Since food aid management requires knowledge of specific legislative mandates and other requirements, FFP has encouraged new grantees to work in partnership with organizations with more experience. Institutional Support Agreement (ISA) grants help PVOs strengthen and improve their capacity, so they can be competitive in the food distribution process. In general, the proposals of PVOs do not usually overlap (for example, with respect to targeted populations). USAID estimates a roughly 70 percent acceptance rate. Recent legislation (IFRP, 2000) tasks USAID to expand on its current base of PVO partners and to outsource additional food commodities outside USDA. As a result, USAID has begun working with 5 smaller PVOs on Title II food aid.

Evidence: FY 2003 DAP Guidelines; PVO Guidelines for Title II Emergency Food Proposals and Reporting; 2000 International Food Relief Partnership Act (IFRP); Breedlove Program documentation

3.CO3 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?**

Answer: YES — Question Weight: 9%

Explanation: FFP requires regular reporting on commodity and financial pipeline, activity, and performance progress. The Missions have technical staff that can provide oversight of PVO activities, but coordination between missions and FFP could be improved. By congressional mandate, programs may take place in non-mission countries, which makes oversight more difficult. Many FFP country and regional program managers (backstop officers) occasionally visit distribution locations to monitor and review the PVO operations. There are reporting requirements to document progress although verification and evaluation of midterm program results are limited. Reporting rates, quality and timeliness of mid-term and final reporting need improvement. In recent years, FFP has expanded overseas placement of PSCs to enhance oversight, monitoring and evaluation capability but oversight is not a USAID funding priority. PVOs are required to hire independent auditors to review their program financial activities. As WFP is a U.N. organization, no U.S. audit requirement applies to its activities (but it is subject to independent audits as a U.N. agency).

Evidence: Guidelines, R4s, discussions with USAID staff, GAO, FANTA

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau: Democracy, Conflict, and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

3.CO4 **Does the program collect performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight: 9%

Explanation: FFP collects performance data annually from its implementing partners, although reporting rates, quality of the information collected, and timeliness need improvement. The FFP Annual Report, the Agency Performance Report, the Congressional Budget Justification and the U.S. International Food Assistance Report are prepared annually to report on those program results collected. Certain publications are posted on the USAID website. Results are generally not available in a manner which allows an assessment of their contribution to USAID's overall outcome goals for food aid.

Evidence: Annual Report; R4s; FY 2003 Congressional Budget Justification; 2001 US International Food Assistance Report; Agency Performance Report

4.1 **Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?** Answer: SMALL EXTENT Question Weight20%

Explanation: Overall changes in food security at a country or global level are difficult to measure particularly in development (non-emergency) cases. The emergency program met some targets but security and logistical problems prevented the program from meeting the population-fed target. The development program has made progress in last several years in implementing results-oriented programs and has met some of its objectives. Implementing partners develop goals and targets, and report on results. Performance at the project level is based on generic indicators. The selection of indicators and how they will be measured is done case-by-case in consultation with the cooperating sponsor. Overall annual results are not based directly on the generic indicators (which are generally difficult to aggregate across programs), but rather on the share of individual programs who reported meeting or exceeding (or failing to meet) their individually-set targets. These results are identified below. Some missions provide country-wide food aid results based on generic Title II indicators and more should be done. FFP is reviewing alternative methods for capturing achievement across Title II programs.

Evidence: R4s, Annual Report; FY 2001 ,FY 2002 Agency Annual Performance report, FASFA, FANTA 7/03 draft "Impact of Title II Maternal and Child Health and Nutrition Programs on the Nutritional Status of Children"

4.2 **Does the program (including program partners) achieve its annual performance goals?** Answer: SMALL EXTENT Question Weight20%

Explanation: Title II emergency food aid program achieved some of its annual performance goals but was hampered by security and logistical problems in certain countries. Development food aid has met some of its goals. A 7/03 draft FANTA analysis of maternal and child health and nutrition (MCHN) development food aid programs finds that, where programs and performance indicators were redesigned in the last six to seven years, chronic malnutrition declined by an average of 2.4 percentage points per year. The review also found considerable variability in the quality and comparability of the data reported by Title II program coordinating sponsors.

Evidence: R4s, Annual Report; FY 2001, 2002 Agency Annual Performance report,FANTA 7/03 draft "Impact of Title II Maternal and Child Health and Nutrition Programs on the Nutritional Status of Children"

Program: Public Law 480 Title II Food Aid

Agency: United States Agency for International Development

Bureau: Democracy, Conflict, and Humanitarian Assistance

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

4.3 **Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?**

Answer: SMALL EXTENT — Question Weight 20%

Explanation: FFP does not collect information on cost-effectiveness or set goals to improve efficiency. However, USAID is instituting numerous program improvements based on its current performance goals. While the development program goals largely process or output related, the program has become more focused on food security and on higher-risk areas since their introduction. Timeliness of aid deliveries has improved since FY1998, for example, by pre-positioning food commodities for quick response to disasters in Sudan and Somalia. In FY 1999, the pre-positioning in US ports reduced the time needed to get food to countries affected by Hurricane Mitch. Currently, FFP is working to resolve several open USAID OIG audit recommendations related to efficiency, for example, some related to cargo preference reimbursements. In terms of reporting improvements, the FANTA project will work with cooperating sponsors to strengthen and improve their quality.

Evidence: R4s; IG audits, FAFSA

4.4 **Does the performance of this program compare favorably to other programs with similar purpose and goals?**

Answer: YES — Question Weight 20%

Explanation: USAID is effective in targeting food to the most vulnerable populations and in overseeing food aid particularly with respect to PVOs and WFP. USAID's Mission presence provides an opportunity for in-country technical experts who could assist USAID in meeting performance goals. FFP has in-house capacity to integrate many of its projects with other USAID programs in health, nutrition, agriculture and education for value added effectiveness. USDA lacks similar in-house capabilities. USAID's strategic planning and performance measurement in food aid are ahead of USDA's and cover a broader range of food-security related outcomes. Some observers have argued that the ability of foreign counterpart agencies to use cash to buy food allows them to respond more quickly and to be more cost-effective than USAID. WFP often uses cash donations from other countries to buy food locally for these reasons. With respect to development food aid, GAO has suggested that much of development food aid might be less efficient than DA.

Evidence: GAO reports and discussions with GAO.

4.5 **Do independent and quality evaluations of this program indicate that the program is effective and achieving results?**

Answer: SMALL EXTENT — Question Weight 20%

Explanation: The independent CDIE assessment of complex emergencies noted USAID's emergency assistance "clearly helped save lives and alleviate suffering." Per FAFSA, over the past 6 years, cooperating sponsors (CSs) have made progress in program assessment, program design, resource integration, partnering and capacity-building, while facing some significant constraints. Although there are still gaps, CSs have made gains in design and implementation of monitoring and evaluation plans -- by 1997, at least two-thirds of approved DAPs identified acceptable performance indicators, from a baseline of 20 percent. GAO indicates that a number of improvements are warranted, particularly in the development food aid program. Areas requiring improvements relate to program effectiveness, WFP treatment of certain expenditures, program monitoring and coordination, and cost-effectiveness. Calculations of the degree that food aid interferes with local production (Bellmon indicators) need improvement. Congressional mandates have limited Title II's effectiveness.

Evidence: OIG Audits; CDIE: Complex Humanitarian Emergencies and USAID's Humanitarian Response; FANTA: Report of the FAFSA, GAO reports and discussions with GAO.

PART Performance Measurements

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau: Democracy, Conflict, and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

Measure: Emergency Food Aid: Meet Critical Food Needs of Targeted Groups

Additional Information: Target (a) - FY 2002 Target = 90% of targeted population reached by food aid.•Target (b) - FY 2002 Target = 70% of programs reporting improved and/or maintained nutritional status of target groups.•Actual Progress achieved toward goal: (a) Actual Progress FY 2002: 78% reached (compared to FY 1996 baseline of 67%, down from FY 2001 level of 90.7%);•(b) Actual Progress FY 93% of programs reporting (compared to FY 1996 baseline of 37%, up from FY 2001 level of 73%).

Measure Term: Long-term

Year	Target	Actual
1996		67%
2002	90%	78%
2003	90%	
2004	90%	
2005		
2006		

Measure: Development Food Aid: Increased effectiveness of FFP's partners in carrying out Title II development activities with measurable results related to food security with a primary focus on household nutrition and agricultural productivity.

Additional Information: Target: FY 2002 Target = 65 % of partners' targets demonstrated to be achieved based on objectively measured indicators selected for their individual projects. (Target revised from FY 2001 value to be more realistic.) Actual Progress achieved toward goal:2) Actual Progress FY 2002 = 50% (down from 61 % in FY 2001)

Measure Term: Long-term

Year	Target	Actual
1996		
2002	65%	50%
2003	65%	
2004	65%	
2005		

PART Performance Measurements

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau: Democracy, Conflict, and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

2006

Measure: Emergency Food Aid: % of targeted population reached by food aid

Additional Information: Performance Target: 90% .•Actual Performance: 78% actual in FY 2002 , compared to FY 1996 baseline of 67% , down from FY 2001 level of 90.7%

Measure Term: Annual

Year	Target	Actual
1996		67%
2002	90%	78%
2003	90%	
2005		
2006		

Measure: Emergency Food Aid: % of programs reporting improved or maintained nutritional status

Additional Information: Performance Target: 70%. •Actual Performance:93%, compared to FY 1996 baseline of 37% , up from 73% actual in FY 2001

Measure Term: Annual

Year	Target	Actual
1996		37%
2002	70%	93%
2003	70%	
2004	70%	
2005		
2006		

PART Performance Measurements

Program: Public Law 480 Title II Food Aid
Agency: United States Agency for International Development
Bureau: Democracy, Conflict, and Humanitarian Assistance
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Adequate
80%	86%	64%	46%	

Measure: Development Food Aid: % of nutritional and other targets achieved in reporting programs

Additional Information: Performance Target: 65%•(revised from FY 2001 value to be more realistic).•Actual Performance: 50%, down from 61% in FY 2001

Measure Term: Annual

Year	Target	Actual
2002	65%	50%
2003	65%	
2004	65%	

PART Performance Measurements

Program: U.S. Trade and Development Agency
Agency: Trade and Development Agency
Bureau:

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

1.1 Is the program purpose clear? Answer: YES Question Weight20%

Explanation: USTDA's authorizing legislation states that "the purpose of the Trade and Developement Agency is to promote United States private sector participation in development projects in developing and middle-income countries, with special emphasis on economic sectors with significant United States export potential, such as energy, transportation, telecommunications, and environment." USTDA clearly reflects this intent in their mission statement: "The U.S. Trade and Development Agency (USTDA) advances economic development and U.S. commercial interests in developing and middle income countries".

Evidence: USTDA's authorizing statute is 22 U.S.C. Sec. 2421, which is the Foreign Assistance Act of 1961, as amended, Section 661. The agency's Mission Statement is contained in USTDA's Strategic Plan and its website at www.tda.gov.

1.2 Does the program address a specific and existing problem, interest or need? Answer: YES Question Weight20%

Explanation: USTDA programs address two principal U.S. interests: furthering U.S. trade and foreign policy/development objectives and promoting U.S. exports. In support of the first interest, USTDA programs assist low and middle income nations to achieve their developmental objectives by promoting U.S. commercial participation (technology transfer, analysis and best practices) in infrastructure projects and policy creation. To advance its second interest, the agency sponsors early, strategic involvement of U.S. firms in development projects that possess high economic/political risks (and may deter private sector interest) or that face competition from state-supported, foreign firms. By supporting U.S. private sector participation in these projects, USTDA facilitates the export of U.S. goods and services and increases transparency in procurement and project development.

Evidence: Other developed countries, such as Japan, Germany, etc., have well-established and active programs supporting their respective companies' attempts to participate in development projects in the same markets where USTDA is active. (2000 TPCC National Export Strategy (NES) Report; CIDA Materials; JICA Materials; USTDA website). Before approving an activity, USTDA requires the following: a request from the host country government; verification by the U.S. Embassy in country that the proposal is a host country priority; a determination that the proposal has significant developmental and commercial impact, evidence that the project will likely be financiable, and evidence of foreign competition. (USTDA Handbook, Chapter 6).

Program: U.S. Trade and Development Agency
Agency: Trade and Development Agency
Bureau:
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

1.3 **Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?** Answer: YES Question Weight20%

Explanation: USTDA supports U.S. private sector involvement in priority development projects overseas by providing grant assistance to fund project-specific activities (feasibility studies, etc) and broader activities (technical assistance). The only programs that are similar in scope and objective are the programs in other nations with which USTDA competes, such as JICA in Japan and the Canadian International Development Agency/International Cooperation Program. No state or local government activities are comprehensive enough to compare with USTDA's mandate and range of activities. Private entities that conduct feasibility studies, technical assistance, etc. without USG support do not focus on providing broader benefits to other U.S. companies and foreign project sponsors.

Evidence: Federal agencies like DOC and Ex-Im Bank provide assistance to U.S. exporters, but their mandates do not focus on the developmental impact of their projects and do not provide assistance through feasibility studies (early project development), technical assistance, etc. OPIC has a similar development mandate to that of USTDA, but provides credit (insurance, loans, guarantees) not grants. USAID provides development assistance in the forms of grants and technical assistance, but focuses on social sector and local private sector development. USTDA, however, focuses on opening opportunities for the U.S. private sector in commercial and industrial sectors. Unique to USTDA is its emphasis on having the grantee choose and oversee the work of the U.S. firm.

1.4 **Is the program design free of major flaws that would limit the program's effectiveness or efficiency?** Answer: YES Question Weight20%

Explanation: Through the aid of Definitional Missions and Desk Studies, USTDA's program design emphasizes project selection and utilizes a broad array of implementation devices (Technical Assistance, Feasibility Studies, Orientation Visits, Conferences and Training Grants). The agency considered the alternative of hiring in-house experts to perform some or all of the work that is currently conducted by contractors, but believes that this would: a) limit access to cutting edge services; b) sacrifice flexibility and efficiency in acquiring a proper workforce skills mix; and c) be contrary to federal outsourcing policy.

Evidence: The agency's history of return on investment of over $35 in exports for every program dollar expended suggests the absence of any fundamental flaws in program design. (USTDA Annual Reports). The agency's newly designed developmental impact measures will allow it to measure the developmental impact of its past, ongoing and future activities. (Measures Tab). Feedback from stakeholders, including a recent TPCC survey of U.S. companies did not surface concerns or suggestions for program redesign. (2002 TPCC NES Report).

PART Performance Measurements

Program: U.S. Trade and Development Agency
Agency: Trade and Development Agency
Bureau:
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	50%	Effective

1.5 **Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly?** Answer: YES Question Weight: 20%

Explanation: USTDA provides funding to an in-country grantee to pay for expertise from a U.S. firm of the grantee's choosing in the form of technical assistance or feasibility studies. While USTDA funds go to the foreign project sponsor grantee, all funds are disbursed directly from the agency to the U.S. contractor. This method ensures that the grantee receives the U.S. services for the agreed-upon activity. Further, agency funds are disbursed, as milestones are achieved, thereby ensuring that the activity has been accomplished prior to releasing any funds. Both the in-country grantee and the U.S. contractor are the agency's direct beneficiaries. The secondary beneficiaries are U.S. firms that export to these projects.

Evidence: To ensure that the in-country grantee benefits from U.S. best business practices, USTDA uses transparent competitive procedures. USTDA approves the developing country's choice of a U.S. firm. Together, the grantee, USTDA and the U.S. firm set the terms of reference for the activity. In addition, before payment is made, both the grantee and USTDA must approve the U.S. firm's work. Often, signing the grant agreement itself represents a change in policy or a move toward good business practice by the grantee. (USTDA Forms and Procedures; USTDA Handbook, Chapter 6.)

2.1 **Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program?** Answer: YES Question Weight: 12%

Explanation: USTDA uses two specific performance measures, the 'multiplier' and the 'hit rate', to ascertain whether its programs achieve its long-term strategic objectives of advancing U.S. commercial interests in development projects. USTDA's other long-term strategic objective of advancing economic development in low and middle income countries will be measured by newly designed development measures. These measures will be applied to past, current and prospective agency activities.

Evidence: USTDA's FY 03-07 Strategic Plan highlights these performance measures: (1) The Multiplier consists of identified U.S. exports/USTDA expenditures; (2) the "Hit Rate" consists of the percentage of USTDA projects with exports. Developmental measures are under the Measures Tab. The developmental measures will be included with the Multiplier and the Hit Rate in the FY '05 GPRA documents. (FY '03,'04 GPRA Plan)

2.2 **Does the program have ambitious targets and timeframes for its long-term measures?** Answer: YES Question Weight: 12%

Explanation: The targets for the 'multiplier' and 'hit rate' performance measures, while ambitious, have remained fairly constant. USTDA projects often take many years to mature and the measures are applied on the basis of ten year rolling averages (TYRA). The agency continues to maintain its ambitious targets but believes that they might be difficult to achieve in light of the increased complexity of the international economy and the economic distress in developing countries. USTDA has established and is implementing developmental impact measures.

Evidence: USTDA's long term performance target for the multiplier is 35 to 1, or $35 in U.S. exports for every $1 in agency funding. The target for the hit rate is 37%, or, to put it another way, 37% of the agency's projects produce U.S. exports. The targets for projects that successfully impact host country economic development will be measured after completion of the projects and these measures are being refined by OMB and USTDA. These targets and timeframes will be included in the FY '05 GPRA documents. Measures Tab. (FY '03,'04 GPRA Plans)

Program: U.S. Trade and Development Agency
Agency: Trade and Development Agency
Bureau:

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	50%	Effective

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals?

Answer: YES   Question Weight: 12%

Explanation: To date, USTDA annual performance measures (multiplier and hit rate) are calculated on a ten year rolling average to reflect the length of time it takes some of the agency's projects to mature. USTDA evaluates these measures each year to determine whether they need adjustment to reflect changing market conditions and other factors. USTDA is currently implementing newly designed development measures.

Evidence: USTDA's Annual Performance Measures are: the multiplier (on a ten year rolling average basis) and the hit rate (on a ten year rolling average basis). The agency's newly determined measures of developmental impact will be integrated into its FY '05 Annual Performance Plan and its revised 5 year Strategic Plan. Measures Tab. (FY '03,'04 GPRA Plans)

2.4 Does the program have baselines and ambitious targets for its annual measures?

Answer: YES   Question Weight: 12%

Explanation: USTDA has baselines and ambitious targets for two of its annual measures (export multiplier, hit rate). The targets for these measures have increased significantly over the last decade due to the continuation of public sector projects at the same time as the growth of private sector projects in the developing world. Baseline data to be applied to the development measures is being gathered, and will be included in the agency's GPRA documents for FY '05.

Evidence: USTDA baselines and targets for its commercial impact measures are as follows: For the Multiplier: the FY '01 Target was 38:1 and the Actual was 39:1. For FY '02, the Target was 40:1 and the Actual was 39. For FY' 03, the Target is 40:1 and for FY'04, the Target is 35:1. For the Hit Rate: the FY '01 Target was 36% and the Actual was 39%. For FY '02, the Target was 40% and the Actual was 38%. For FY' 03, the Target is 38% and for FY'04, the Target is 37%.

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?

Answer: YES   Question Weight: 12%

Explanation: As a part of its due dilligence and project documentation, USTDA requires that the grantee comply with certain terms and conditions designed to support the agency's annual and long term goals. In addition, when submitting requests, project managers must provide evidence of how the project will contribute to the agency's long term goals. USTDA grantees and U.S. firms provide information to assess the agency's program performance. For future projects, the project documents will incorporate, where applicable, the development objectives that the project should address. Various sources, including grantees and Contractors, will provide the data necessary to measure the development impact. The Trade Promotion Coordinating Committee (TPCC) and direct partnerships in overseas offices in Ankara, Turkey, Johannesburg, South Africa, and Bangkok, Thailand, other federal agencies, like Ex-Im Bank, OPIC, ITA at Commerce, and State, contribute to USTDA's commercial and developmental objectives.

Evidence: Grant Agreements between USTDA and developing country grantees contain Terms of Reference, Mandatory Clauses and other provisions that commit to working toward the annual and long term commercial goals of the agency. The subsequent, or secondary, sgreement between the developing country grantee and the U.S. firm must also include these Terms of Reference, Mandatory Clauses and other similar provisions. In the future, project documents will address the new development objectives. (USTDA Handbook, Chapter 6. Model Format for the Grant Agreement and the Secondary Agreement, Sample Grant Agreement, Sample letters from Grantees and Host Countries).

Program: U.S. Trade and Development Agency
Agency: Trade and Development Agency
Bureau:

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

2.6 **Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?**

Answer: YES Question Weight: 12%

Explanation: Independent evaluations have been conducted on an annual basis to evaluate the commercial impact of USTDA's activities. To assess the agency's developmental impact, these evaluations focused only on the agency's existing broad developmental objectives due to the lack of specific development measures. More specific developmental impact measures have been developed and are being implemented. Due to its size, USTDA pays for annual outside evaluations and these take the place of or supplement third party audits. For the future, USTDA will expand the scope of its outside evaluations to gather the data necessary on an annual basis to measure both its developmental and its commercial impact in developing countries.

Evidence: The QED Group, LLC (2000 to 2002) The QED Group, LLC 2003 (Draft) Section 6, "Assessment of USTDA Development Impact." Assessments of Agency Effectiveness by Sector (e.g. Petrochemical Refining and Fossil Fuel Power).

2.7 **Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?**

Answer: NO Question Weight: 12%

Explanation: Previous budget submissions (e.g. FY '04) were based on the agency's assessment of the necessary funding level to meet demand, support Presidential priorities, and responsibly run its programs. USTDA's budget requests are not explicitly tied to the accomplishment of its performance goals. Therefore, the agency's FY '05 budget submission will try to integrate its budget with performance to clearly show all costs (program and administrative) needed to meet its commercial and developmental objectives.

Evidence: Past USTDA's budget requests did not link budget and performance on the developmental side.

2.8 **Has the program taken meaningful steps to correct its strategic planning deficiencies?**

Answer: YES Question Weight: 12%

Explanation: USTDA recognizes its past strategic planning deficiencies in the measurement of its program's developmental impact. USTDA, working with OMB, has created development measures and specific development goals to assess the developmental impact on the host country. USTDA will incorporate these goals and measures in its FY '05 GPRA documents. These evaluation measures will continue to be refined and expanded in future years to focus on newly established goals and targets.

Evidence: OMB is currently working with USTDA to create the agency's developmental goals and measures. In addition, the agency is expanding the scope for its outside evaluation experts to gather the data necessary to measure its current and future developmental impact. USTDA will also apply its newly designed developmental measures to assess its performance on past activities. (Measures Tab)

Program: U.S. Trade and Development Agency
Agency: Trade and Development Agency
Bureau:
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

3.1 **Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?**

Answer: YES   Question Weight: 10%

Explanation: USTDA collects data on the dollar value of U.S. exports associated with each of its activities and uses it to calculate the multiplier and hit rate. USTDA will begin to collect additional information to assess its program's developmental impact. The project documents include an annual reporting requirement, and the agency uses this and other information to guide future decisions on types of project proposals to support. The program and financial audits of select projects and reporting requirements allow the agency to manage program activities and to make adjustments, if necessary, to improve performance.

Evidence: Annual Evaluations by the QED Group, LLC 2000-2002. Grant Agreements. Cost Share and Success Fee Letter agreements. USTDA's Grants Administrator. Agency Forms and Procedures.

3.2 **Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results?**

Answer: YES   Question Weight: 10%

Explanation: Through the annual performance appraisals and reviews, USTDA managers are held accountable for selecting projects that meet USTDA criteria and mission, supervising contractors and grantees, meeting payment schedules, and reviewing invoices for work performed under contracts and grants. USTDA managers ensure that contractor and grantee milestones have been met prior to payment, and that the grantee has approved contractor invoices, which are tied to established project deliverables. USTDA's grants administrator reviews the final product for compliance before the payment of the final 15 percent of the grant amount, ensuring that contractors are accountable for accomplishing agreed upon deliverables set forth in the grant agreement.

Evidence: Weekly/monthly Activity Reports and Annual Performance Appraisal Reviews. The weekly/monthly reports are up-dated in weekly or biweekly project reviews with senior management and the regional managers. (EIS Reports, PARs, Grantee Performance Evaluation of USTDA projects, Agency Forms and Procedures).

3.3 **Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?**

Answer: YES   Question Weight: 10%

Explanation: USTDA obligates its appropriations in a timely manner. USTDA has two primary accounts: Operating Expenses and Program Budget. Similar to other International Assistance programs, USTDA receives a two year appropriation for the majority of its funds, reflecting Congressional and OMB intent for flexibility in obligating these funds. All USTDA funds are spent for the intended purpose.

Evidence: USTDA follows current Federal Law and apportions funds with OMB in accordance with sections 1211 and 1512 of the General Appropriations Act, as amended. For each project, the grantee must submit disbursement documents for USTDA endorsement and payment. The grant agreement governs disbursement procedures and matters related to the proper use of USG funds. The agency has never had to return unobligated funds to the Treasury.

Program: U.S. Trade and Development Agency

Agency: Trade and Development Agency

Bureau:

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

3.4 **Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?**

Answer: YES Question Weight: 10%

Explanation: USTDA procedures measure and achieve efficiencies and cost effectiveness in program execution. By contracting with the private sector to perform its project Definitional Mission (DM), Desk Study (DS), Orientation Visit, and Conference work, USTDA enhances its staff expertise. The DM and DS Contractors are competitively selected and help USTDA staff assess appropriate funding levels and Terms of Reference for feasibility studies and technical assistance projects. To accomplish the same amount of work without outside assistance would require a substantial increase in FTEs. This outsourcing is consistent with USG policy and keeps the agency up-to-date on industry trends and development successes. USTDA also is investing in updating its management information system (TDAMIS) that helps track, measure and improve the efficiency of the contracting and grant process. USTDA also uses outside contractors to evaluate managerial and program performance.

Evidence: USTDA funds about 250 contracting opportunities per year (average from 2000-2002 period) for Desk Studies, Definitional Missions, Orientation Visits and Conferences. USTDA also funds annually about 200 Feasibility Study and Technical Assistance activities. On average, USTDA contracts with independent auditors to conduct 3 to 5 program and/or financial audits per year. These audits have helped the agency improve contract and grant management procedures. (USTDA Annual Reports from 2000 to 2002, USTDA Audits from 1998 to 2000)

3.5 **Does the program collaborate and coordinate effectively with related programs?**

Answer: YES Question Weight: 10%

Explanation: USTDA coordinates directly with related programs and works through the Trade Promotion Coordinating Committee (TPCC) to collaborate effectively with other USG programs. Together, USTDA and the other TPCC agencies develop a government-wide strategic plan for carrying out U.S. trade promotion programs. USTDA also closely coordinates with USG agencies, including USTR, DHS, DOT, (in particular the FAA), DOC, State, Ex-Im Bank, OPIC, USAID and NSA, on developing public-private approaches to address the Administration's priorities in specific areas (e.g., transportation security).

Evidence: TPCC National Export Strategy Report, 2002 & 2003. On a daily basis, USTDA program staff coordinates overseas project development extensively with DOC's U.S. & Foreign Commercial Service, as well as with the State Department, FAA and DHS's Transportation Security Agency, and Commerce's Advocacy Center. Examples of USTDA leading a USG initiative in support of another agency are: Enterprise for ASEAN Initiative (USTR); SEED, FSA (State Department); and STAR Initiative (TSA). USTDA/OPIC office in Ankara, Turkey, and OPIC/Ex-Im/USTDA Office in Zagreb, Croatia.

3.6 **Does the program use strong financial management practices?**

Answer: YES Question Weight: 10%

Explanation: Independent financial audits of USTDA financial statements are conducted yearly. Each audit has provided a clean opinion with no findings of material weaknesses. In addition, USTDA's accounting and payroll services are provided through the Department of Interior's Federal Financial System (FFS), a system also subject to periodic, independent audit. Based upon standards outlined in the 'Statement on Auditing Standards' (SAS), these audits have also rendered clean opinions. USTDA maintains written accounting policies and procedures to regulate internal accounting practices. USTDA also organizes regular meetings with trade associations, the business community, and its Grantees for feedback on agency operations.

Evidence: USTDA Financial Audit Reports for 2000 to 2002; KPMG Audit of Department of Interior's FFS.

Program: U.S. Trade and Development Agency
Agency: Trade and Development Agency
Bureau:
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

3.7 **Has the program taken meaningful steps to address its management deficiencies?** Answer: YES Question Weight:10%

Explanation: USTDA actively responds to management issues reported in its financial and program audits. Issues identified by independent auditors are specifically addressed and inserted into a corrective action tracking system for follow-up, Depending on the issue, policies and or procedures are modified and implemented agency-wide. While this is done in a responsive way, the agency continues to identify proactive ways to tighten or improve its controls. An example is the establishment of an agency Grants Administrator. Also, in accordance with OMB Circular A-123, USTDA annually conducts an internal control management review and survey of all staff in all departments, actively seeking their identification of processes, procedures, incidents or actions that may require review, risk assessment, and possibly corrective action. USTDA recently completed a review of agency business rules in conjunction with the implementation for a web-based enterprise architecture.

Evidence: Management Letters from Audits; USTDA's Handbook; Functional Specifications for TDAMIS.

3.CO1 **Are grants awarded based on a clear competitive process that includes a qualified assessment of merit?** Answer: NA Question Weight: 0%

Explanation: USTDA's program is neither a competitive grant program nor a block grant/formula grant program. USTDA's program is a foreign grant program that provides grant assistance to host country sponsors upon the request of the host country.

Evidence:

3.CO2 **Does the program have oversight practices that provide sufficient knowledge of grantee activities?** Answer: YES Question Weight20%

Explanation: USTDA Grant Agreements, cost share/success fee agreements and contract mandatory clauses include provisions that provide for USTDA oversight and specifically require USTDA review and approval of contractors; contracts, including amendments and modifications; invoices; and deliverables, including final reports. USTDA milestone-payment procedures require the approval of USTDA Regional Staff, as evidenced by their signature on the Disbursement Voucher. Final invoice payment procedures require the review of the final work product by USTDA's Grants Administrator and the approval of the Regional Staff prior to payment of the final invoice. USTDA also conducts periodic program and financial audits of its grants. In the case of a program audit, an independent auditor will visit the Grantee in country as well as review the books and records with respect to the project.

Evidence: Grant Agreement; cost share/success fee agreements; USTDA Forms and Procedures; Agency Program Audits Binder, 1998-2000; Agency Financial Audits, 2000 - 2002.

3.CO3 **Does the program collect grantee performance data on an annual basis and make it available to the public in a transparent and meaningful manner?** Answer: YES Question Weight:10%

Explanation: USTDA collects grantee performance on an annual basis through a project-by-project evaluation by an outside contractor to measure the commercial impact of its program. The agency makes this information available to the public through the multiplier and the hit rate. The agency will expand this methodology to include developmental performance using the newly-developed developmental impact measures. The status of projects is broadly disseminated through all of the agency's communication channels. Also, copies of public reports on agency projects are available through the agency library or the web site.

Evidence: www.tda.gov. Information also may be sought via Info@USTDA.gov. USTDA quarterly newsletters, USTDA's Briefs, FY2002 USTDA Annual Report.

PART Performance Measurements

Program: U.S. Trade and Development Agency
Agency: Trade and Development Agency
Bureau:
Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?
Answer: SMALL EXTENT Question Weight25%

Explanation: USTDA has demonstrated strong progress in meeting its long-term commercial goals (multiplier and hit rate). With respect to developmental impact, over the years, USTDA has gathered performance data but has not done so systematically and has not evaluated its activities against specific development performance measures with ambitious targets and timeframes. Accordingly, USTDA, working with OMB, is developing specific development measures with targets and timeframes. This will complement USTDA's ongoing project-by-project developmental impact analysis carried out through contact with foreign Grantees, U.S. contractors, other involved U.S. companies, international financial institutions and U.S. financial organizations.

Evidence: The QED Group LLC Report (2000 to 2002 and 2003 Draft); Economic Sectoral Evaluations by Outside Technical Experts; (3) Internal USTDA Evaluations: Analysis of Cost Share/Success Fee (annual series); Small Companies and USTDA (annual series); Financing of USTDA Exports (periodic reports); and U.S. Suppliers to USTDA Projects (periodic reports); Evaluations Office Report on developmental impact on host country economic development; Examples of Projects; Representative Letters.

4.2 Does the program (including program partners) achieve its annual performance goals?
Answer: SMALL EXTENT Question Weight25%

Explanation: For its commercial objective, USTDA sets high targets and for many years has been able to meet or exceed the targets. Since USTDA's development goals, measures and targets have been recently developed, there is insufficient data available at this time for systematic and detailed demonstration of its annual host country developmental impact.

Evidence: USTDA baselines and targets for its commercial impact measures are as follows: For the Multiplier: the FY '01 Target was 38:1 and the Actual was 39:1. For FY '02, the Target was 40:1 and the Actual was 39. For FY' 03, the Target is 40:1 and for FY'04, the Target is 35:1. For the Hit Rate: the FY '01 Target was 36% and the Actual was 39%. For FY '02, the Target was 40% and the Actual was 38%. For FY' 03, the Target is 38% and for FY'04, the Target is 37%.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?
Answer: YES Question Weight25%

Explanation: Prior to project approval, USTDA conducts its own research and enters into contracts with experts to conduct due diligence on potential projects. This combined review analyzes project information, scrubs budgets, and, by so doing, results in improved cost effectiveness, reduction in FTE utilization and staff time, and rejection of poorly planned or ill-conceived projects. In addition, to reduce paper processing time and improve data collection, the agency is updating its IT systems to include a new enterprise architecture. Together, USTDA and OMB will work on this initiative through the A-11, Exhibit 300 type process. USTDA improves efficiencies in the procurement of consultant services by revising contracting methods on an ongoing basis.

Evidence: Functional specifications for the IT enterprise architecture for the agency's redesign of its management information system and the agency's willingness to participate in an Exhibit 300 (business case). Contracting efficiencies include: revisions to Definitional Mission contract provisions, contract reviews and participation in the Small Business Administration ProNet waiver program, which allows streamlined access by the agency to U.S. small businesses.

PART Performance Measurements

Program: U.S. Trade and Development Agency

Agency: Trade and Development Agency

Bureau:

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

4.4 **Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals?**

Answer: NA

Question Weight: 0%

Explanation: While there are no other directly comparable U.S. entities in either the public or private sector, there are foreign entities that conduct feasibility studies and other activities similar to USTDA. Since USTDA only has anecdotal evidence of the performance of these programs, the agency cannot make a meaningful comparison.

Evidence: Insufficient information for comparison

4.5 **Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?**

Answer: SMALL EXTENT

Question Weight25%

Explanation: Independent evaluations indicate that USTDA programs are effective and achieve results in the area of the agency's commercial impact through export promotion. USTDA's independent evaluators, using existing, broad developmental objectives, also show that the agency's program have some developmental impact. The evaluations cite agency developmental achievements in the areas of market-oriented legal and regulatory reform, environmental standards, and public infrastructure development. However, these evaluations do not demonstrate USTDA's effectiveness/results in relation to the specific achievement of USTDA-centered established goals and targets, which are now being developed and will be in place soon.

Evidence: The QED Group, LLC Report (2000 to 2002 and 2003 Draft, Chapter 6); Economic Sectoral Evaluations by Outside Technical Experts: Telecommunications by Synetics; Petrochemical & Refining by Pace Consultants; Management Information Systems by Market Access; Electric Power Generation by Howell & Associates.;

PART Performance Measurements

Program: U.S. Trade and Development Agency
Agency: Trade and Development Agency
Bureau:

Type(s): Competitive Grant

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	50%	Effective

Measure: Dollar amount of U.S. exports for every $1 in agency funding (the multiplier)

Additional Information:

Measure Term: Long-term

Year	Target	Actual
2002	$40	$39
2003	$40	$33
2004	$35	
2005	$35	

Measure: Percentage of Agency Projects that produce US exports (the hit rate)

Additional Information:

Measure Term: Long-term

Year	Target	Actual
2002	40%	38%
2003	38%	36%
2004	37%	
2005	38%	

Measure: Percentage of projects that have the potential of contributing to the multiplier

Additional Information: Feasibility Studies (FS)/ Technical Assistance (TA) reviewed to initially assess projects ability to involve US exports - indicates potential contribution to meeting the long-term multiplier target.

Measure Term: Annual

Year	Target	Actual
2004	> 60%	
2005	> 60%	

PART Performance Measurements

Program: U.S. Trade and Development Agency
Agency: Trade and Development Agency
Bureau:

Section Scores				Rating
1	2	3	4	Moderately Effective
100%	88%	100%	50%	

Type(s): Competitive Grant

Measure: Percentage of projects that have the capacity to produce US exports (the hit rate)

Additional Information: Feasibility Studies (FS)/ Technical Assistance (TA) reviewed to initially assess projects ability to involve US exports - indicates potential contribution to meeting the long-term hit rate target.

Measure Term: Annual

Year	Target	Actual
2004	> 60%	
2005	> 60%	

Measure: Percentage of implemented activities that result in infrastructure/industrial projects

Additional Information: Feasibility Studies (FS)/ Technical Assistance (TA) evaluated 6 years following completion to determine implementation.

Measure Term: Long-term

Year	Target	Actual
2004	> 55%	
2005	> 55%	

Measure: Percentage of implemented activities that lead to adoption of market oriented reforms

Additional Information: Feasibility Studies (FS)/ Technical Assistance (TA) evaluated 6 yrs following completion to determine whether reform was adopted.

Measure Term: Long-term

Year	Target	Actual
2004	> 25%	
2005	> 25%	

Measure: Percentage of implemented activities that create 10 or more jobs or train at least 10 people

Additional Information: Feasibility Studies (FS)/ Technical Assistance (TA) evaluated 6 years following completion to determine jobs created or number of people trained

Measure Term: Long-term

Year	Target	Actual
2004	> 30%	
2005	> 30%	

PART Performance Measurements

Program: U.S. Trade and Development Agency
Agency: Trade and Development Agency
Bureau:

Section Scores				Rating
1	2	3	4	Moderately
100%	88%	100%	50%	Effective

Type(s): Competitive Grant

Measure: Percentage of implemented activities that result in the transfer of advanced technology or increased productivity

Additional Information: Feasibility Studies (FS)/ Technical Assistance (TA) evaluated 6 years following completion to determine higher technology or increased productivity

Measure Term: Long-term

Year	Target	Actual
2004	>50%	
2005	>50%	

PROGRAM ID: 10001172

OMB Program Assessment Rating Tool (PART)

Competitive Grant Programs

Name of Program: USAID Climate Change

Section I: Program Purpose & Design (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Is the program purpose clear?*	Yes	AID's Climate Change Program's mission statement is to promote sustainable development that minimizes the associated growth in greenhouse gas emissions and reduces vulnerability to climate change. The program supports activities to decrease the rate of growth in net greenhouse gas (GHG) emissions by decreasing GHG sources and maintaining or increasing GHG sinks; increase developing and transition country participation in the UN Framework Convention on Climate Change (UNFCCC); and decrease developing and transition country vulnerability to the threats posed by climate change.	Mission statement and program objectives are outlined in AID's 1998 publication entitled "Climate Change Initiative, 1998-2002." This report framed the climate change issue and defined AID's strategy. AID has not yet completed a new strategy for fiscal year 2003 and beyond. In 1990, Congress directed AID to engage in climate change activities by focusing its global warming activities in "specific key countries which stand to contribute significantly to GHG emissions, and in which actions to promote energy efficiency, reliance on renewable energy resources, and conservation of forest resources, could significantly reduce emissions of greenhouse gases" (P.L. 101-167, section 534).	20%	0.2

2	*Does the program address a specific interest, problem or need?*	Yes	AID works with developing and transition countries to incorporate climate change considerations into their economic growth plans. Following U.S. treaty obligations and Bush Administration policy, AID funds projects that help developing countries reduce GHG emissions and avoid and/or adapt to projected global climate changes that may negatively affect them.	In 1992, the U.S. ratified the UN Framework Convention on Climate Change (UNFCCC). The treaty's objective is "to achieve…stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system…to ensure food production is not threatened and to enable economic development to proceed in a sustainable manner." The Intergovernmental Panel on Climate Change (IPCC), an international body of 2,500 of the world's leading scientists and technical experts also outline the need to address both sustainable development and climate change in the publication, "Climate Change 2001: Impacts, Adaptation, and Vulnerability; IPCC Working Group II Third Assessment." "U.S. Climate Change Strategy A New Approach" White House, February 14, 2002	20%	0.2
3	*Is the program designed to have a significant impact in addressing the interest, problem or need?*	Yes	A case study of the climate change program in Philippines concluded that "Conventional AID environmental programs (forestry and land use, energy technology and management, and urban and industrial pollution) can yield significant ancillary climate change benefits." The program is implemented through regional programs in Central Africa, Central America, and Central Asia, as well as through bilateral assistance to thirty-five countries throughout Africa, Asia, Latin America, Eastern Europe and Eurasia. Across all regions and countries, AID places strong emphasis on leveraging the capabilities and resources of other donors, the private sector, non-governmental organizations (NGO's), and communities.	"AID Programs that Respond to the Global Climate Change: Philippines Case Study;" CDIE, DRAFT. To enhance the impact of its activities, the program leverages funding from other sources. While it is difficult to calculate an exact figure that measures AID's ability to leverage funding from other donors and institutions, the Agency nevertheless seeks to assess its overall impact in promoting innovative approaches and activities that address climate change with its partners. In FY 2001, based on data collected from all countries participating in the program, AID leveraged over $1.07 billion, multiplying its investment by almost seven times the amount it obligated for climate-related activities in that year, $156 million.	20%	0.2

4	*Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?*	Yes	The AID climate change program is the primary vehicle for U.S. assistance to developing countries on climate change. It is comprehensive, not needlessly redundant, and it has more funding than other existing federal programs. However, there are several agencies that have programs with similar goals (DOE, EPA, NOAA, USDA, Treasury). In addition, all parties to the UNFCCC and several private institutions share the stated aim of promoting sustainable development and reducing the intensity of GHG emissions in developing and transitioning economies (World Bank, donor nation development assistance agencies, Global Environment Fund, U.N. Environment Program). AID's challenge is to coordinate its programs with the many federal and non-federal programs conducting similar work.	The UNFCC has been ratified by more than 190 nations including many developing nations. World Bank, Global Environment Fund, United Nations Development Program, United Nations Environmental Program and numerous OECD countries have GHG emission reduction, adaptation to climate change, and sustainable economic development as stated goals. EPA is engaged in activities within developing countries and countries undergoing economic transition that address both air quality improvement and climate change mitigation. Other Federal Agencies initiate and develop projects independently of AID. Also, AID collaborates with other US and international government agencies, and the private an non-profit sectors. AID's Climate Change Initiative report acknowledges the contributions of multilateral and bilateral donors, international organizations, the private sector, and other agencies and the departments of the U.S. government.	20%	0.2

5	*Is the program optimally designed to address the interest, problem or need?*	Yes	The program seeks to promote sustainable development and address climate change by taking account of climate change concerns in a broad range of development assistance activities. The program is not designed to target only climate change mitigation and adaptation projects; therefore, the climate change objectives are not maximized. However, given that many developing countries that AID works with have not made specific commitments to reduce or control GHG's, it is not feasible to fully maximize climate benefits. AID focuses funding on recipient countries priority sustainable development goals while "building in" climate change benefits. Any AID development assistance project that AID funds that has a corollary climate benefit is counted as part of AID's climate program. AID implements only a small amount of climate-specific funding. AID and many other donors followed the "win-win" approach, whereby funding and policy decisions have primarily focused on traditional development outcomes while capturing climate impacts.	AID mainstreams climate change concerns throughout the Agency and with in-country partners by educating participants on the climate-related benefits of long-standing and new development assistance programs. The "win-win" approach is supported by academic work included in the Assessment Report of the Intergovernmental Panel on Climate Change (see evidence for cite) which finds that "Activities requited for enhancement of adaptive capacity [to climate change] are essentially equivalent to those promoting sustainable development." Publication: "Climate Change 2001: Impacts, Adaptation, and Vulnerability". Published for the Intergovernmental Panel on Climate Change. Cambridge University Press.	20%	0.2
Total Section Score					**100%**	**100%**

Section II: Strategic Planning (Yes,No, N/A)

1	*Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?*	Yes	AID needs to develop new long term goals and indicators that focus on measureable outcomes. The overarching long-term performance goals are clear and AID set proxy measures in 1998 on an annual basis. This question is answered "Yes" because one of the indicators is specific, measurable and had a cumulative target linked to a an outcome (hectares where AID funding increased carbon stocks or reduced their rate of loss). However, another indicator (achieve 300 capacity building activities) is not linked to outcomes at all. The long term goals are: (1) Decrease the rate of growth in net GHG emissions by decreasing GHG sources and maintaining or increasing GHG sinks. (AID has not developed a direct measure for this goal.); (2) Increase developing and transition country participation in the UN Framework Convention on Climate Change (UNFCCC). (Indicator, number of capacity building activities, is poor.); (3) Decrease developing and transition country vulnerability to the threats posed by climate change (No indicator developed).	The original long-term goals of the program are outlined in the published document "Climate Change Initiative, 1998-2002." The Performance Monitoring Plan set the annual indicators and targets. One of the goals has a long-term cumulative target for the 5-year period. The program needs to measure climate outcomes and set long term targets that can provide a basis for annual program and budget decisions. The program has begun a review of the 1998-2002 program.	14%	0.1

2	*Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?*	Yes	In 1998, baselines and annual targets for the following three indicators were established in a Performance Monitoring Plan (PMP) as proxy measures of the long term goals: 1) area where AID has initiated interventions to maintain or increase carbon stocks or reduce their rate of loss, 2) emissions of carbon dioxide equivalents avoided, due to AID assistance (measuring carbon dioxide, methane, and nitrous oxide, and 3) institutions strengthened in support of the Framework Convention on Climate Change, in the land use/forestry sector, energy sector, industry, or urban areas. Annual results are calculated and compared to the PMP targets for each respective year, as well as to the previous year's performance. This tracking system measures progress toward achieving the longer term goals of the program. The PMP does not capture the program's progress with respect to the third long-term goal, “decreasing developing and transition country vulnerability to the threats posed by climate change,” as no quantifiable standard for determining baselines or measuring progress had been established.	AID publication: "AID Climate Change Program Special Objective 1: Agency Climate Change Program Effectively Implemented Performance Monitoring Plan (draft), Global Environment Center AID. April 19, 2000	14%	0.1
3	*Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?*	Yes	Partners under contract with AID's operating units are required to report results on specific indicators. Under AID’s “win-win” approach to climate change operating units do not establish strategic objectives to specifically address climate change. However, the Agency has established uniform criteria for measuring the extent to which its programs are contributing to its long-term climate change goals, and has required mandatory annual reporting by all operating units who are implementing climate-related activities. As activities are planned and implemented, contractors are instructed on how to use these standard indicators for measuring and reporting climate-related benefits.	Each year, the Climate Change Team in Washington sends guidance and indicator reporting forms to operating units to collect information about the climate change activities they support with their partners. The team manages, aggregates, and analyzes the information through a central database. AID operating units and their cooperating partners sign a Letter of Understanding (LOU) outlining their interests and planned cooperation toward the strategic objective of the operating unit. In addition, it is standard language in both cooperative agreements and grant agreements with AID for the cooperating partner to submit regular progress reports.	14%	0.1

4	*Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?*	Yes	The Agency coordinates with other Federal agencies that have similar international programs. For example, AID makes use of expertise within EPA, DOE, USDA and often enters into cooperative agreements with NGOs to support their programs that meet USG objectives.	One example is AID's support of the US Climate Technology Cooperation (US-CTC), an interagency initiative of DOE, EPA, State, and AID, that encourages climate-friendly technologies and practices. Under US-CTC, AID has co-sponsored the Climate Technology Partnership (CTP), for technical assistance to facilitate the use of clean energy and renewable energy technologies. For example, AID's support focused technology transfer efforts in Mexico, Philippines, South Africa, Brazil, and Egypt, while EPA focused efforts in China and Korea, countries where AID does not have authority to work.	14%	0.1
5	*Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?*	No	Current evaluations of program performance are internal AID reports. A case study of AID programs that respond to global climate change in the Philippines was conducted by the Center for Development Information and Evaluation (CDIE) this year. CDIE also did an overview of the the program in 2001. Also, Each year, the AID Washington-based Global Climate Change (GCC) Team aggregates and evaluates performance data submitted by more than 35 operating units. AID considers the GCC to be independent and non-biased. Gaps in performance from year to year are identified and communicated to the appropriate AID operating unit which manages the in-country climate-related activities in question. However, the central GCC Team does not have the ability to link climate-related performance with budgeting for these individual operating units. The Team makes technical suggestions for specific program improvement, but cannot fully control to what degree those suggestions are budgeted for and acted upon.	1) "AID Programs that Respond to the Challenge of Global Climate Change: An Experience Review; CDIE; October 2001" and 2) "AID Programs that Respond to the Global Climate Change: Philippines Case Study;" CDIE, DRAFT.	14%	0.0

6	*Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?*	No	AID programs its activities based on annual funding targets. At the end of the year, the level of funding to programs with climate benefit is assessed. AID has exceeded its annual budget target for climate change obligations since the inception of the Climate Change Initiative in FY98.	AID staff points out that while the annual program budget is not tied to performance goals, the impact of changes in funding, policy, and legislation on the program volume can be determined. The impact of changes on performance are not known.	14%	0.0
7	*Has the program taken meaningful steps to address its strategic planning deficiencies?*	Yes	The effort has begun, but has not affected planning yet. The Climate Change Team started developing a new strategic plan for the GCC program in March 2001. Washington and field-based staff discussed achievements, lessons learned, and ideas for future direction of the program. Information from the workshop and US climate change policy, announced in February 2002, formed the basis for a draft Concept Paper in May 2002. Review of the strategic priorities is currently underway.	Workshop report, "Recommendations and Conclusions from the AID Climate Change Training Workshop 2001," and Concept Paper, "Global Climate Change and AID."	14%	0.1
Total Section Score					**100%**	**71%**

Section III: Program Management (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?*	Yes	AID regulations require recipients of funding to manage, monitor, and report project performance information on a regular basis. Operating units collect performance reports from recipients on a quarterly, semi-annual, or annual basis. The Agency's Annual Reporting system collects program performance data. The first year of climate change reporting helped to form the baseline for targets in the Performance Monitoring Plan (PMP).	AID abides by 22 CFR 226, "Administration of Assistance Awards to US Non-governmental Organizations", section 226.51, "Monitoring and reporting program performance" to require partners to provide performance reports. In addition, the Climate Change Team houses information collected through indicator reporting by operating units in a database designed specifically for this purpose. FY 2001 indicator reporting documents.	9%	0.1

2	*Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?*	Yes	In the Agency personnel evaluation process, project managers are evaluated for effective management of agreements; staff who serve as point-persons for country programs are assessed according to their contributions toward a mission's strategic objective. Input is sought from supervisors, peers, and clients on performance concerning these criteria as part of the annual evaluation process.	Work objectives in employee work plans are tied to the employee's role in the organization. Among other areas, project managers are evaluated against the quality of technical guidance provided to contractors and grantees and their management of financial and human resources. Additionally, staff are assessed against criteria appropriate to the stage of the country program; for example, contribution to a new country strategy or assistance in ensuring that country resources are appropriately allocated to agreements managed by AID/W if the mission chooses to program its funds that way. Project pipelines factor into annual budget decisions.	9%	0.1
3	*Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?*	Yes	AID obligates all its climate funds in the same year the funds are made available. The Washington office issues guidance annually on the appropriate use of climate funds to help ensure that funds are spent for their intended purpose. Additionally, the Climate Change Team and PPC jointly review obligation data to ensure the integrity of the data before it is submitted to Congress. The Agency regularly audits contracts and grants to assure the funds are spent for the intended purpose.	AID obligation data is provided annually in the Congressionally mandated Federal Report to Congress on Climate Change Expenditures.	9%	0.1
4	*Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?*	No	Efficiency and productivity gains are not generally part of contracts and grant agreements. However, the Agency implements much of its program through competitively-awarded mechanisms, and usually makes awards on the basis of "best value" to the government; has empowered its frontline managers to make program decisions; has pursued increased efficiencies by consolidating projects; has focused on improving use of information technology.	No evidence was provided that showed that incentives and procedures were in place.	9%	0.0

5	*Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?*	No	Although the agency has made progress in the allocation of administrative costs, they are still unable to fully account for headquarters costs or allocate down to the individual program level. In addition, to date, the information has simply been used to highlight missions with either extraordinarily high or low operating expense to program ratios rather than as a direct factor in decisions regarding program funding.	Status Report on Operating Expenses, Managerial Cost Accounting Report (previews/summary pieces) The finals should be available by the end of the month.	9%	0.0
6	*Does the program use strong financial management practices?*	No	Although the agency has made progress in achieving a qualified financial audit opinion for FY 2001, it continues to not meet basic Federal financial management requirements. In addition, it has not yet implemented a compliant financial management system for its field missions.	AID Inspector General's audit report for FY 2001.	9%	0.0
7	*Has the program taken meaningful steps to address its management deficiencies?*	Yes	Annual program guidance on appropriate use of climate funds is issued to help ensure the integrity of the program. Country budget targets are jointly established by PPC, the Climate Change Team, and the regional bureaus. At year end, country programs including performance are reviewed jointly by PPC and the Climate Change Team. To more effectively manage the program, the Climate Change Team has increased its level of staffing, increased communication with operating units in the field through regular email news updates and site visits, established an intra-agency team composed of Washington-based staff that meets regularly to facilitate improved understanding of the program.	The AID Annual Report process collects program, performance and financial data on the Agency's Climate Change programs. Through this process, deficiencies (if any) are detected and addressed. In addition, in FY 2001, the management of the Economic Growth, Agriculture, and Trade (EGAT) pillar implemented a rigorous portfolio review of the centrally managed Environment and Climate Change programs.	9%	0.1

8 (Co 1.) *Are grant applications independently reviewed based on clear criteria (rather than earmarked) and are awards made based on results of the peer review process?*	Yes	Agency funding is awarded through a competitive process with few exceptions. Applications are reviewed by technical panels and ranked according to how well they meet the selection criteria outlined in the request for applications. Most awards are evaluated based on the following broad criteria: program design and performance monitoring, institutional capacity and past performance, personnel capability and experience. Applicants are informed of the relative weight of each category and the elements within it that count toward the total score. Applicants' budget proposals are separately evaluated by AID's Office of Procurement. The program office also receives unsolicited proposals which are peer reviewed and awarded based on merit and how well they meet the needs of the operating unit's strategic objectives.	In addition to following OMB Circulars (e.g., A-133, A-122, and A-110), AID has its own implementing regulations that are published in Automated Directive System (ADS) Chapter 303 for Grants and Cooperative Agreements to Non-Governmental Organizations.	9%	0.1
9 (Co 2.) *Does the grant competition encourage the participation of new/first-time grantees through a fair and open application process?*	Yes	AID requests for applications are open and announced on the Agency website. In addition, in the near future, assistance opportunities will be announced on General Services Administration's electronic posting system, Federal Business Opportunities (www.FedBizOpps.gov). Unsolicited proposals are received at any time during the fiscal year from all interested parties. In addition, the Climate Change Team receives unsolicited presentations by potential first-time contractors as well as previous partners for new project ideas.	The Agency tracks the number of new awards per year. In FY 2001, 45.6% of new assistance awards included new agreements, first time recipients, and repeat recipients. **AID please explain percentages**	9%	0.1
10 (Co 3.) *Does the program have oversight practices that provide sufficient knowledge of grantee activities?*	Yes	AID operating units oversee activities of their cooperating partners through annual workplan reviews, management reviews, site visits, briefings, results reporting and financial reviews. The Climate Change Team in Washington relies on results reporting from operating units in the field to monitor and evaluate climate-related activities and expenditures to ensure that they meet the goals of the program.	AID's Automated Directive System (ADS) requires Cognizant Technical Officers (CTOs) of cooperative agreements to "monitor and evaluate the recipient's performance [through site visits, reviewing and analyzing performance, assuring compliance with the terms and conditions of the award...]; evaluate...program effectiveness at the end of the program; and perform other duties as may be requested or as delegated by the Agreement Officer." CTO responsibilities for contract oversight are articulated in each award agreement.	9%	0.1

11 (Co 4.)	*Does the program collect performance data on an annual basis and make it available to the public in a transparent and meaningful manner?*	Yes	The Climate Change Program collects performance data on an annual basis and makes it available to the public.	2002 Report to Congress of Federal Climate Change Expenditures, AID's Annual Performance Report, AID website, Climate Change Initiative Annual Report.	9%	0.1
Total Section Score					**100%**	**73%**

Section IV: Program Results (Yes, Large Extent, Small Extent, No)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?*	Small Extent	AID can report on the 5th year (2002) indicator targets and measures set in 1998. Only one of the indicators is measurable and has a cumulative target linked to an outcome (hectares where AID funding increased carbon stocks or reduced their rate of loss). The annual targets and indicators have not changed since the Climate Change Initiative program's inception in 1998. The targets for 2001 set in 1998 were so far exceeded that it raises the question whether the targets were rigorous enough and could have been reevaluated during the 5-year period. AID is currently evaluating the FY 2002 data.	The original long-term goals of the program are outlined in the published document "Climate Change Initiative, 1998-2002." The Performance Monitoring Plan set the annual indicators and targets.	25%	0.1

Long-Term Goal I:	Decreasing the rate of growth in net greenhouse gas (GHG) emissions by reducing GHG emissions at their source and/or maintaining or increasing carbon storage in land-based ‘sinks’
Target:	1) By 2002, cumulative area where AID has initiated interventions to maintain or increase carbon stocks or reduce their rate of loss: 61 million hectares. 2) 2001 annual emissions of carbon dioxide equivalents avoided, due to AID assistance: 2.95 million metric tons
Actual Progress achieved toward goal:	Exceeded targets in both cases. By 2001, one year before the end of the Initiative, the program had exceeded the targeted "area of intervention" by 32 million hectares. The annual targeted amount of "CO2 equivalents avoided" by 2.85 million metric tons.
Long-Term Goal II:	Increasing developing and transition country participation in the UN Framework Convention on Climate Change (FCCC)
Target:	By 2002 to achieve 300 capacity building activities.
Actual Progress achieved toward goal:	Exceeded target. By 2001, the program had exceeded the target by 2552 "capacity building activities." This target does not indicate country participation.
Long-Term Goal III:	Decreasing developing and transition country vulnerability to threats posed by climate change
Target:	According to AID, no target was set for this goal because an internationally accepted standard for establishing baselines and measuring progress had not been developed when the Initiative began in 1998. AID has never created its own measurable target.
Actual Progress achieved toward goal:	

2	*Does the program (including program partners) achieve its annual performance goals?*	Yes	Since 1998 when the Agency began tracking performance of its climate change program, it has consistently met its annual targets as outlined in the *Performance Monitoring Plan*. The Agency could not achieve this level of accomplishment without the cooperation of its program partners, who, as noted in Section II, question 3, contribute fully to the program's objectives and whose performance is evaluated on a regular basis. The annual indicators and results for FY 2001 are reported here.	Results are reported annually in the following documents: 1) AID Annual Performance Plan; 2) Agency Annual Performance Report; 3) AID's annual submission to the Federal Climate Change Expenditures Report to Congress.	25%	0.3

Key Goal I:	Area where AID has initiated interventions to maintain or increase carbon stocks or reduce their rate of loss
Performance Target:	59.5 million hectares
Actual Performance:	94 million hectares
Key Goal II:	Emissions of carbon dioxide equivalents avoided, due to AID assistance
Performance Target:	2.95 million metric tons of carbon dioxide equivalent
Actual Performance:	5.8 million metric tons of carbon dioxide equivalent
Key Goal III:	Institutions strengthened in support of the Framework Convention on Climate Change, in the land use/forestry sector, energy sect
Performance Target:	300 capacity building activities
Actual Performance:	2522 capacity building activities

Footnote: Performance targets should reference the performance baseline and years, e.g. achieve a 5% increase over base of *X* in 2000.

3	*Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?*	No	The program has not undergone an A-76 competition or other systematic way of improving contracting efficiencies aimed at reducing cost to achieve goals. Also, the central GCC Team does not have the ability to link climate-related performance with budgeting for individual operating units. The Team makes technical suggestions for specific program improvement, but cannot fully control to what degree those suggestions are budgeted for and acted upon.	No evidence provided that would justify a yes answer.	25%	0.0
4	*Does the performance of this program compare favorably to other programs with similar purpose and goals?*	n/a	We were not able to find data evaluating and comparing the effectiveness of climate change programs.		0%	

5	*Do independent and quality evaluations of this program indicate that the program is effective and achieving results?*	No	Current evaluations of program performance are internal AID reports. A case study of AID programs that respond to global climate change in the Philippines was conducted by the Center for Development Information and Evaluation (CDIE) this year. The CDIE report "AID Programs that Reduce the threat of Global Climate Change An experience Review notes that "the Agency's programs affecting global climate change have registered significant outputs. However, there is little documentation on the impact of these programs." The Philippine Case study concluded that "Conventional AID environmental programs (forestry and land use, energy technology and management, and urban and industrial pollution) can yield significant ancillary climate change benefits." There is no independent analysis of the effectiveness of the entire program available.	1) "AID Programs that Respond to the Challenge of Global Climate Change: An Experience Review; CDIE; October 2001" and 2) "AID Programs that Respond to the Global Climate Change: Philippines Case Study;" CDIE, DRAFT.	25%	0.0
Total Section Score					**100%**	**33%**

OMB Program Assessment Rating Tool (PART)

Competitive Grant Programs

Name of Program: USAID Development Assistance - Population

Section I: Program Purpose & Design (Yes,No, N/A)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
1	*Is the program purpose clear?*	Yes	The purpose of the program is focused principally on reducing unintended pregnancy and improving reproductive health by increasing the use of voluntary family planning. The program also makes substantial contributions to reducing maternal mortality due to unintended pregnancy and abortion and to reducing infant and child mortality through birth spacing.	Foreign Assistance Act, 1961 as amended, paragraph 104(b): "The President is authorized to furnish assistance, on such terms and conditions as he may determine for voluntary population planning."	10%	0.1
2	*Does the program address a specific interest, problem or need?*	Yes	The program addresses three broad problems found in many developing countries: (1) the high level of unmet need for family planning, resulting in couples' inability to determine the number and spacing of their children, disempowerment of women who are unable to complete their schooling or participate in the labor force, and, in some cases, elevated rates of population growth that may be inconsistent with economic growth and natural resource availability; (2) high levels of maternal mortality, in part due to unintended pregnancies and the abortions that result from them; and (3) high levels of infant and child mortality, in part due to births that are too closely spaced, born to women at very young ages and are of too high parity. [Unmet need is the percent of married, reproductive age women who state that they want either no more children or to delay their next birth but are not using family planning.]	Unmet need for family planning in USAID-assisted countries, on average, is 18% compared to 13% in phase-out, 13% in E&E, and 11% in non-USAID assisted countries. In absolute terms, there are 86 million women with unmet need in USAID-assisted countries, represenenting over 80% of unmet need in all developing countries, excluding China. The maternal mortality ratio in USAID-assisted countries, on average, is 632 per 100,000 live births, compared to 270 in phase-out countries, 99 in E&E and 340 in non-USAID assisted countries. In absolute terms, there are 480,000 maternal deaths annually in USAID-assisted countries, which account for 85% of maternal deaths in all developing countries, excluding China. The infant mortality rate in USAID-assisted countries is 75 per 1,000 live births, compared to 53 in phase-out countries, 26 in E&E, and 54 in non-USAID assisted countries. In absolute terms, there are 5.7 million infant deaths annually in USAID-assisted countries, which account for over 80% of infant deaths in all developing countries, excluding China.	30%	0.3

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	*Is the program designed to have a significant impact in addressing the interest, problem or need?*	Yes	Studies have consistently shown that when quality, voluntary family planning/reproductive health services are made available, use of modern contraception increases, even in low resource environments, thereby reducing unintended pregnancy. Increased use of modern contraception also contributes to lower maternal mortality by reducing the number of women exposed to the risks of pregnancy and by reducing reliance on abortion. Finally, increased use of family planning reduces infant and child mortality by allowing women to avoid births that are associated with elevated risks of mortality for either the mother or child (e.g. too closely spaced, mother too young, high parity).	USAID-supported FP/RH programs serve approximately 28 million women of reproductive age in USAID-assisted countries, or 22.6% of users of modern contraceptive methods in those countries. In addition to contributing directly to increased contraceptive use, USAID's population resources also help prevent 3,253,000 abortions, roughly 16,000 maternal deaths, and 275,000 infant deaths. Resources are focused on improving on-the-ground efforts to improve FP/RH information and services. FY2000 expenditure data reveal that over 70% of funds were focused on these activities, including training, management, communications, contraceptives and logistics.	30%	0.3

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Is the program designed to make a unique contribution in addressing the interest, problem or need (i.e., not needlessly redundant of any other Federal, state, local or private efforts)?*	Yes	USAID is the only U.S. government agency that receives funding expressly for implementing family planning and reproductive health programs in developing countries. USAID makes unique contributions to family planning and reproductive health programs in the following areas: biomedical research (including microbicides that provide protection from pregnancy and STIs, including HIV); operations research; surveys; contraceptive logistics; and behavior change communication. Unlike most other donors, USAID provides substantial support for service delivery through private channels, including through commercial, PVO and other non-governmental organizations. Cooperative agreement and grant mechanisms typically include a matching requirements of 10-25 percent -- some as high as 50% (CARE Endowment).	USAID receives funding from other U.S. government agencies for biomedical research on new contraceptives, including funding from DHSS, NIH and CDC. In 2001, this funding totaled $1.5 million. In 2000, USAID's funding for family planning comprised 37% of all donor funding for this sector according to the UNFPA-sponsored "Financial Resource Flows for Population Activities in 2000". In the broader classification of "Cairo-defined" population activities that encompasses maternal health and HIV/AIDS, USAID's funding comprises 24% of all donor funding.	20%	0.2
5	*Is the program optimally designed to address the interest, problem or need?*	Yes	USAID's program is decentralized, placing most program design and funding decisions in the hands of technical experts based in-country in field missions, but also including programs designed, funded, and managed out of AID/W. Programming decisions are governed by guidelines on appropriate and optimal use of funds (developed for CSH funds) for acheiving impact in the sector. Most mission-based programs focus on direct provision of FP/RH services and information. Central programs focus on biomedical, operations, and social science research, commodity procurement and logistics, and technical leadership in critical areas such as policy, communications, and performance improvement. Missions have at their disposal, various options for implementing programs, including both mission-managed contracts and agreements and mechanisms managed centrally in Washington. Options include agreements with central governments, district-level governments, international organizations, private voluntary organizations, contracts with local NGOs, contracts with commercial sector organizat	Field and central programs are complementary. They also seek to minimize management burdens on USAID staff and to maximize the reach of USAID resources by including cost-share requirements when appropriate. The Kenya program is a good example of these principles: it represents a combination of locally-awarded and AID/W-managed components; charges the insitutional contractor with coordinating training, technical assistance and monitoring and evaluation practices among the handful of Kenyan NGOs that actually provide fp/rh services; and meets the 15 percent cost share requirement for the project by leveraging assistance from other private and bilateral donors that complement the activities of the bilateral agreement.	10%	0.1
Total Section Score					**100%**	**100%**

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
Section II: Strategic Planning (Yes,No, N/A)						
1	*Does the program have a limited number of specific, ambitious long-term performance goals that focus on outcomes and meaningfully reflect the purpose of the program?*	Yes	The Agency has three ten-year (1998-2007) performance goals that the population program contributes to: (1) reducing fertility by 20 percent, (2) reducing maternal mortality by 10 percent, and (3) reducing infant and child mortality by 25 percent. The population program is the principal intervention contribution to goal (1). It contributes jointly with the Agency's maternal health program to achieve goal (2) and with the child survival program to achieve goal (3).	Section IV.1 of this PART contains the Agency's goals and targets for the population sector, as articulated in the 2003 APP. The evidence folder includes a chart summarizing long-term goals and performance indicators that relate thereto. Perforamance targets are articulated in performance monitoring plans at the global, regional, and mission levels.	20%	0.2
2	*Does the program have a limited number of annual performance goals that demonstrate progress toward achieving the long-term goals?*	Yes	The Agency maintains performance data tables that track progress in achieving annual targets for each of its indicators, both at the country level and at an aggregate level. Field missions report country program performance against annual goals using proxy measures in years when survey data are not available. For all operating units, field missions and central programs, a variety of "intermediate-level" results are also tracked.	Key goals, performance targets, and progress to date are articulated in Section IV.2 of this PART. Two indicators are not included in that section because accurate data are available for too few countries to be included in GPRA reporting. 1. Unmet need for family planning reduced in countries where adult HIV prevalence is 8% or higher: data available for six such countries show unmet need reduced by over 13 points, on average, over a five-year period. 2. Abortions reduced through increased use of family planning: data available for five countries have documented success in both increasing family planning use and reducing abortions.	20%	0.2
3	*Do all partners (grantees, sub-grantees, contractors, etc.) support program planning efforts by committing to the annual and/or long-term goals of the program?*	Yes	Many partners have mission statements that are consistent with USAID's -- many partners provided input to USAID's "vision" for population programs -- partners are usually participants/provide comment to USAID designs in an open/transparent process -- partners have scopes of work that are in concert with USAID goals.	In its cooperative agreement with USAID, one partner states: "AVSC is an organization that is fundamentally devoted to helping countries to introduce, expand, and improve services to enable individuals to carry out their reproductive intentions. The results framework for the cooperative agreement mirrors AVSC's overall strategy for working in partnership with USAID and its country partners to maximize access to and quality of services."	10%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
4	*Does the program collaborate and coordinate effectively with related programs that share similar goals and objectives?*	Yes	Internal coordination across different categories of health programs is faciliated by the broad responsibilities of most Mission PHN officers for health, HIV and fp/rh activities. The small size of missions also facilitates coordination across sectors. USAID Missions coordinate their fp/rh assistance with the national government and in-country offices of bilateral and multilateral donors. Specific mechanisms exist to foster internal coordination in the Global Bureau also. Global contracts and agreements are often cross-cutting and various working groups and committees exist for coordination. Global assistance with external donors is coordinated through technical meetings, e.g. USAID participation in international technical advisory boards, in executive boards for multilateral and private donors, and through shared initiatives such as the contraceptive security initiative. As the largest bilateral donor, USAID retains an important "seat at the table" in donor fora, espcially on technical matters related to international fp/rh.	Evidence of internal coordination by USAID Missions includes the recent Uganda RFA which was designed with input from the health, fp/rh and education experts in the Mission. Within the Global Bureau internal coordination occurs through global working groups on HIV/FP integration, population and environment, and reproductive health commodities. External coordination by Missions has led to the alignment of project cycles with other donors [e.g. with UNFPA in Nepal]. Globally and in the field the common agenda has involved joint project design missions with representatives from USAID and Japan, for example in Tanzania and Zambia.	10%	0.1

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
5	*Are independent and quality evaluations of sufficient scope conducted on a regular basis or as needed to fill gaps in performance information to support program improvements and evaluate effectiveness?*	Yes	Independent program-wide evaluations have not been done in recent years because family planning programs over the last two decades have demonstrated their effectiveness in meeting unmet need and reducing total fertility rates. Where they have demonstrated success, interventions that were initiatied as operations research experiments have been scaled-up to the national level and implemented worldwide. Although evaluations are not program-wide, the Agency does regularly evaluate most of its activities. However, because it has a system for annual results reviews and reports, evaluations are no longer required for every project. As a consequence, evaluations are often broader in scope, encompassing multiple, related projects/activities.	Through the Evaluation Project, USAID has conducted case-control studies measuring key outcomes in project and non-project areas in Bangladesh and Uganda. USAID has also used operations research to test new modes of service delivery, such as community-based distribution and social marketing, which are now widely implemented at the national level. Independent qualitative evaluations of global and bilateral projects are conducted through the Poptech Project. Poptech evaluations also focus on thematic or cross-cutting initiatives, for example the recent assessment of USAID's post-abortion care activities. Such assessments or evaluations focus on the questions of whether the activities and approach of the project or initiative are the appropriate ones and the quality of implementation.	10%	0.1
6	*Is the program budget aligned with the program goals in such a way that the impact of funding, policy, and legislative changes on performance is readily known?*	No	Agency budget allocations are often not aligned with need but rather are driven by geopolitical and historical considerations more than by health priorities.	Nigeria, the country with the greatest need for FP/RH assistance based on both magnitude and severity of unmet need, is ranked 7th in terms of population funding. The country receiving the most population funds in FY2001 was Bangladesh, which ranks 17th in terms of need. Of the countries ranked 1-10 on the basis of need, only two (Nigeria and India) rank in the top ten for FY2001 funding.	20%	0.0
7	*Has the program taken meaningful steps to address its strategic planning deficiencies?*	No	The Global Bureau has conducted analyses to identify allocations of resources that would better serve the Agency's population goals. However, to date, the information has not significantly affected Agency budget allocations. Allocations are further distorted by the decision to fund fp/rh projects from specialized accounts (e.g., ESF, SEED) in countries where unmet need is limited to help meet overall congressional earmarks for fp/rh programs. These specialized accounts comprise an increasing percentage of the Agency's population budget, circumscribing the ability to direct funds to countries with the greatest need.	Analyses have been undertaken to rank countries on the basis of 1) unmet need for family planning, both in terms of magnitude of need (# of births in excess of 2.6 per woman) and severity (total fertility rate) and 2) FY2001 funding allocations. As noted in the evidence for question II.5 above, there is a poor match between need and funding for many countries.	10%	0.0
Total Section Score					**100%**	**70%**

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
Section III: Program Management (Yes,No, N/A)						
1	*Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance?*	No	(a) The agency-wide mechanism for reviewing regional and country funding allocations is not sufficiently robust to assure that resource flows reflect primarily the programmatic needs and performance arising from the family planning program's strategic objectives. (b) Central programs rely on management reviews; results reviews (which feed into annual reports); and evaluations -- each of which is aimed at improving performance. Some contracts are performance-based, where the award fee is adjusted based on performance against a range of criteria. Funding decisions are based in part on performance, including field support funds that missions direct to those partners that are most needed to support country programs and objectives. (c) Missions use performance information to review progress with partners and to make adjustments in their programs (Kenya: quarterly meetings with partners to report and review performance/identify problems; Bangladesh: use of surveys in areas where project is and is not working to compare performance).	Annual performance is tracked at multiple levels. PPC tracks, aggregates and reports key indicators of performance (e.g., TFR, CPR, IMR) across roughly 50 countries receiving population and health assistance using three-year weighted averages based on most the recent data from DHS and CDC surveys and interopolation. Aggregated information is updated on a rolling cycle as new survey data become available. However, the Agency has not yet translated the information on need and performance into reallocating funds (see Section II.6). GH tracks a larger set of indicators aggregated across countries on an annual basis, including desired family size, # of new or improved contraceptive at various stages of devlopment, and # of policies in place. Individual missions report annually on their performance against mission-set goals, often using CPR or CYP and other performance measures. GH and missions also collect information from program partners for ongoing monitoring of program performance and annual budget allocation purposes.	25%	0.0
2	*Are Federal managers and program partners (grantees, subgrantees, contractors, etc.) held accountable for cost, schedule and performance results?*	Yes	In the Agency personnel evaluation process, project managers are evaluated for effective management of agreements; staff who serve as point-persons for country programs (called Country Coordinators) are assessed against their contributions to a mission team. Input is sought from supervisors, peers, and clients on performance against these criteria as part of the annual evaluation process. Partners are rewarded for performance either directly through award fees (POLICY & CMS) or through budget allocation by GH and missions.	Work objectives in employee work plans are tied to the employee's role in the organzation. Among other areas, project managers are evaluated against the quality of technical guidance provided to contractors and grantees and their management of financial and human resources. Country coordinators are assessed against criteria appropriate to the stage of the country program; for example, contribution to a new country strategy or assistance in ensuring that country resources are appropriately allocated to agreements managed by AID/W if the mission chooses to program its funds that way. Award-fee contracts reward performance with additional fee for exemplary performance in categories such as results, quality, timeliness, management, cost control, and collaboration. Project pipelines factor into annual budget decisions. For example, in FY2001, the Office of Population obligated no core funds to its PASA with CDC because of CDC's sizeable unspent pipeline.	25%	0.3

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	*Are all funds (Federal and partners') obligated in a timely manner and spent for the intended purpose?*	Yes	(a) The Agency has obligated nearly all its population funds in the same year the funds were made available; it has issued guidance on the use of population funds to help ensure that funds are spent for their intended purpose; (b) the Agency regularly audits contracts and grants to assure the funds are spent for the object class, but does not systematically review expenditures for appropriate use of funds for meeting objectives. Because they can visit service sites and training sessions, it is easier for mission staff than for AID/W staff to assess whether funds are being spend for the intended purpose.	The Agency has successfully obligated its population funds in the same year as appropriated, with rare exceptions (e.g., in 2000 only funds that were on hold for the CARE endowment ($2.7m) was carried forward into FY01 and in 2001 only ESF funds for Cambodia ($750k) was carried forward. Across these two years, less than $4m was carried forward out of a total of $797.5m available for population programs (about 1/2 of one percent). The Agency issued guidance on the use of population funds to help ensure that funds are spent for their intended purpose.	10%	
4	*Does the program have incentives and procedures (e.g., competitive sourcing/cost comparisons, IT improvements) to measure and achieve efficiencies and cost effectiveness in program execution?*	No	The Agency has not identified systematic approaches through U.S. based contracts and grants that ensure maximum use of indigenous organizations and experts to implement programs in a sustainable manner. Efficiency and productivity gains are not generally part of contracts and grant agreements. However, the Agency implements much of its program through competitively-awarded mechanims, and usually makes awards on the basis of "best value" to the government; has empowered its frontline managers to make program decisions; has pursued increased efficiencies by consolidating projects (fewer/more easily managed) that work across health sectors; has focused on improving use of info technology through IT & Materials Working Group that places a premium on information/technology sharing & transfer (subject of upcoming CAs meetings).	Close to 60% of the Agency's $450M population budget flows through contracts and grants administered through the Bureau for Global Health. Of this total, 71% was obligated into competitively-awarded contracts and cooperative agreements. Non-competitive awards tend to be those for activities with other government agencies (i.e., CDC, BuCen) and biomedical research. With the exception of support to governments, the majority of bilateral awards are also competitive.	5%	0.0
5	*Does the agency estimate and budget for the full annual costs of operating the program (including all administrative costs and allocated overhead) so that program performance changes are identified with changes in funding levels?*	No	Although the agency has made progress in the allocation of administrative costs, they are still unable to fully account for headquarters costs or allocate down to the individual program level. In addition, to date, the information has simply been used to highlight missions with either extraordinarily high or low operating expense to program ratios rather than as a direct factor in decisions regarding program funding.	Status Report on Operating Expenses, Managerial Cost Accounting Report	5%	0.0
6	*Does the program use strong financial management practices?*	No	Although the agency has made progress in achieving a qualified financial audit opinion for FY 2001, it continues to not meet basic Federal financial management requirements. In addition, it has not yet implemented a compliant financial management system for its field missions.	USAID Inspector General's audit report for FY 2001.	5%	0.0

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
7	*Has the program taken meaningful steps to address its management deficiencies?*	No	The Agency has centralized its budget function in PPC and is reviewing its approach to country allocations; it has only recently issued guidance on appropriate uses of population funds and programs have yet to be audited systematically; it has begun to explore ways of rewarding sustainability within its agreements. This has not yet resulted in a significant shift of funds to countries with the greatest deficits in the three long-term goal areas.	Reorganization Memo #1 moves the Agency's budget function from the Management Bureau to PPC. Analyses of the relationship between need and funding levels have been undertaken and are being discussed with the Administrator as part of the Bureau Budget and Program Submission (BPBS) process.	5%	0.0
8 (Co 1.)	*Are grant applications independently reviewed based on clear criteria (rather than earmarked) and are awards made based on results of the peer review process?*	Yes	With very few exceptions, USAID awards are competitively procured with awards made on the basis of a technical panel's evaluation of proposals based on clear selection criteria, included in the request for proposals. Most awards are judged against the following broad criteria: program design and performance monitoring, institutional capacity and past performance, personnel capability and experience. Bidders are informed of the relative weight of each category and the elements within it towards the total score. Bidders' cost proposals are separately evaluated by USAID's Office of Procurement. In the population sector, most RFAs/RFPs state how much money the Agency plans to obligate for the activity being competed, effectively eliminating "low-ball" bids and allowing the technical panel to assess cost-effectiveness.	Examples of specific criteria from a recent competitively-awarded cooperative agreement include: "Does the proposal reflect understanding of USAID and the needs of the Bureau for Global Health sector? Does the proposal provide adequate evidence of innovation and understanding of the evidence/science base of health communication including field experience and data? Does the proposal suggest credible and realistic performance results? What evidence is there that the applicant and this/these organization(s) have managed and implemented a large global project int he PHN or related development sector, and performed well? The personnel capability will include examination of the multidisciplinary technical expertise in health communication, population, health sciences and development..."	5%	0.1
9 (Co 2.)	*Does the grant competition encourage the participation of new/first-time grantees through a fair and open application process?*	Yes	USAID requests for proposals are open and announced on the Agency website in addition to the CBD announcement.	While competition is open, few first-time bidders win awards as primes, because of the size of the awards; first-time awardees are more prominent in smaller procurements; trend has been toward larger procurements given the management efficiencies.	5%	0.1
10 (Co 3.)	*Does the program have oversight practices that provide sufficient knowledge of grantee activities?*	Yes	USAID provides close monitoring of its agreements, through annual workplan reviews, management reviews, site visits, briefings, results reporting and financial reviews.	USAID's Automated Directive System (ADS) requires Cognizant Technical Officers (CTOs) of cooperative agreements to "monitor and evaluate the recipient's performance [through site visits, reviewing and analyzing performance, assuring compliance with the terms and conditions of the award...]; evaluate...program effectiveness at the end of the program; and perform other duties as may be requested or as delegated by the Agreement Officer." CTO responsibilities for contract oversight are articulated in each contract.	5%	0.1

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
11 (Co 4.) *Does the program collect performance data on an annual basis and make it available to the public in a transparent and meaningful manner?*	No	USAID collects performance data from partners on at least an annual basis and uses it to assess impact and manage its programs. While the information it collects is not shared publicly, its cooperating agencies [CAs] make the results of their USAID-assisted activities widely available through the web and other channels.	All CAs maintain websites highlighting their project activities and accomplishments. Many CAs, particularly those undertaking biomedical and operations research, publish their work in peer-reviewed journals, and USAID supports the Johns Hopkins media center to serve as a repository of communication tools and media materials. All of these formats are accessible to the public. CAs are also required to submit copies of all publications to USAID's Clearinghouse for Development Information and Experience (CDIE).	5%	0.0
Total Section Score				**100%**	**40%**

Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score

Section IV: Program Results (Yes, Large Extent, Small Extent, No)

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
k	*Has the program demonstrated adequate progress in achieving its long-term outcome goal(s)?*	Yes	USAID's population program has demonstrated marked progress in meeting its goals.	Evidence is from USAID mission and GH Annual Reports and from the Annual Performance Plan, which responds to GPRA.	40%	0.4

Long-Term Goal I:	Reducing the number of unintended pregnancies, and thereby fertility.
Target:	Total Fertility Rate (TFR) reduced by 20 percent between 1998 and 2007, from 4.2 to 3.3 among 43 countries receiving over $1m.
Actual Progress achieved toward goal:	Between 1992 and 2001, the number of countries with TFR greater than 5 decreased from 17 to 10 and the number with TFR under 3 increased from 6 to 12 in 43 assisted countries with available data.
Long-Term Goal II:	Reducing deaths and adverse health outcomes to women as a result of pregnancy and childbirth.
Target 2:	Maternal mortality ratio reduced by 10 percent between 1998 and 2007.
Actual Progress achieved toward goal:	Between 1990-94 and 1995-00, the numer of countries having over half of births attended by medically-trained personnel increased from 6 to 8 among 13 countries receving more than $500k in maternal health assistance.
Long-Term Goal III:	Reducing infant and child mortality.
Target:	Morality rates for infants and children under the age of 5 reduced by 25 percent between 1998 and 2007.
Actual Progress achieved toward goal:	Between 1992 and 2001, the number of countries with under-5 mortality rates greater than 150 declined from 18 to 12 and the number with under-5 morality less than 50 increased from 6 to 17 in 49 countries receiving at least $1m in child survival funds.

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
2	*Does the program (including program partners) achieve its annual performance goals?*	Yes	USAID's population program has achieved its annual performance goals for the most recent reporting period.	Evidence is from USAID mission and GH Annual Reports and from the Annual Performance Plan, which responds to GPRA.	40%	0.4

Key Goal I:	Modern Contraceptive Prevalence Rate (CPR) increased by 1 point in latest reporting year.
Performance Target:	Modern CPR increases to 45.1 in 2005 from 40.6 in 2000 among 54 countries receiving population assistance.
Actual Performance:	Modern CPR increased from an average of 32.1 in 1995 to 40.6 in 2000 among women in union across 54 countries for which data are available. [Note 1: Achieving this goal becomes more difficult over time because there are countries that have graduated from assistance over this period -- and so do not have the benefit of USAID's investment and are already at high levels of CPR where 1 point increases are more difficult to attain. Note 2: An additional target was considered, "unmet need for family planning reduced in high HIV prevalence countries", but Agency reporting systems do not allow inclusion at this time -- see Section 2.2.]
Key Goal II:	Reduce maternal mortality due to abortion through family planning and post-abortion care.
Performance Target:	Annual 1.5 point reduction in unsatisfied demand (unmet need) for family planning in assisted countries.
Actual Performance:	Unmet need reduced by 6 points, on average, over a five-year period among 34 countries that have had two data points for tracking change in unmet need. [Note 1: These are simple and not weighted averages. Note 2: An additional target was considered, "abortions reduced through increased use of family planning", but Agency reporting systems do not allow inclusion at this time -- see Section 2.2.]
Key Goal III:	Reduce infant and child mortality through healthy birth-spacing.
Performance Target 1:	Percent of births under 2 years spacing reduced in assisted countries.
Actual Performance:	Percent of births less than two years declined by an average of 7 points, on average, over a five-year period among 34 countries that have had two data points for tracking change. [Note: these are simple averages, the average length between surveys need to be verified.]
Performance Target 2:	Percent of first births to women under age 18 reduced in assisted countries.
Actual Performance:	Percent of women (as reported by surveyed respondents age 15-24) reporting their first births to have occured at an age less than 18 declined by 1.7 points, on average, over a five-year period among 34 countries that have had two data points for tracking change. [Note: these are simple averages, the average length between surveys need to be verified.]
Performance Target 3:	Percent of births that are parity 5 or higher reduced in assisted countries.
Actual Performance:	Percent of births that are parity 5 or higher declined by 12.3%, on average, over a five-year period among 29 countries that have had two data points for tracking change. [Note: these are simple averages, the average length between surveys need to be verified.]

	Questions	Ans.	Explanation	Evidence/Data	Weighting	Weighted Score
3	*Does the program demonstrate improved efficiencies and cost effectiveness in achieving program goals each year?*	Small Extent	Commodity procurement has benefited from competition; for other parts of the population program, unit costs are more difficult to measure and compare across various organizations and service delivery systems and components.	USAID receives low commodity prices through Agency-wide, pooled procurement and through competition. Condom procurement has has benefited from competitive sourcing and economies of scale as evidenced by the recently procured price of 3.5 cents per condom, down from a high of over 7 cents.	10%	0.0
4	*Does the performance of this program compare favorably to other programs with similar purpose and goals?*	n/a	There are no other US government programs that work in this field.		0%	
5	*Do independent and quality evaluations of this program indicate that the program is effective and achieving results?*	Yes	Independent evaluations of USAID's family planning programs at the country level have demonstrated their impact and effectiveness. Although, as noted in Part II.Q5, evaluations are not program-wide, the Agency does regularly evaluate most of its activities. Because it has a system for annual results reviews and reports, evaluations are no longer required for every project. Rather, evaluations now more often encompass multiple related projects/activities and provide a more comprehensive picture of program accomplishments than earlier project-by-project evaluations provided.	Recent evaluations have examined the impact of USAID family planning (FP) assistance in Morocco over 30 years, Turkey over 12 years, and Brazil over eight years. The Morocco evaluation notes that "the collaboration between the MOH and USAID led to important results in FP indicators. [CPR]...rose from less than 20% in 1979-80 to 59% in 1997. [TFR] decreased dramatically from 7.0 children in 1979-80 to 3.1 children in 1997." (p.iv) The Turkey assessment notes accomplishments ranging from developing strategies for women's health and FP to securing contraceptives to strengthening training systems, to improving access and method choice, to monitoring and evaluation. The Brazil assessment notes that "USAID's program produced a number of significant achievements, many of which warrant replication throughout the country." (p.20)	10%	0.1
Total Section Score					**100%**	**93%**