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1. Government-Wide News

a. Government Performance Summit Features Innovations on PMA

-The Government Performance Summit on February 24-26 featured over 30 presentations on highlights in federal performance improvement from the past year. Attendees heard progress reports from the PMA initiative owners, highlights of success and expectations for the next year from government leaders, and best practice updates from agency leaders in the PMA. Attendees were also able to voice their successes, concerns and solutions to issues regarding the five PMA goals in five focused town hall dialogues. Presentations and additional information from the Government Performance Summit are now available online at: governmentperformance.org

b. Updates from PMA Initiative Owners

-On February 21, the five PMA initiative owners issued statements on current progress in implementing the President's Management Agenda. Office of Personnel Management Administrator Kay Coles James discusses the progress of human capital; Office of Federal Procurement Policy Administrator Angela Styles addresses the revision of Circular A-76; former Deputy Director for Management Mark Everson discusses the improvement of

financial performance; Associate Director for Information Technology and e-Government Mark Forman discusses the 24 e-government initiatives; and Associate Director Marcus Peacock addresses progress with the Program Assessment Rating Tool (PART). To read these statements, go to: Initiative Updates

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2. Integrating Performance and Budgeting

a. OMB's Marcus Peacock Addresses Status of the PART

-Marcus Peacock, Associate Director for Natural Resource Programs at OMB, provided an implementation update on the PMA budget and performance integration initiative to Government Performance Summit attendees. He addressed the need to link budgets to performance, provided an overview of the history of budget and performance integration, and discussed the process and status of implementation of the Program Assessment Rating Tool (PART). Mr. Peacock discussed the difficulty of this PMA initiative and addressed the challenges involved in the transition to a new budget allocation process based on clearly defined goals and measures and an assessment of program accomplishments. He indicated that OMB's implementation of PART has been guided by lessons learned in the past. OMB is maintaining control over the process, maintaining a manageable workload by rating just 20% of federal programs in the first year, and working to secure agency buy-in by directly involving them in the process. For more information on the progress of performance and budget integration, go to: governmentperformance.org

b. Minutes and Comments from the Final Meeting of the PMAC

-The Performance Measurement Advisory Council convened their third and final meeting in the first week of March with the main focus of the meeting to offer feedback on the presentation of the program assessments in the 2004 Budget. OMB intends to use the PART again as a central element of the 2005 budget process, rating an additional 20% of federal programs. It was also reported that although wholesale changes to the PART are not expected, OMB is interested in strengthening the process, the instrument, and the budget presentation. To view the minutes of this meeting, go to: PMAC Minutes
To view comments and suggestions from the council on the PART and the future of the process, go to: PMAC Comments and Suggestions

c. Federal Managers Express Frustrations in Linking Performance to Budgets

-Federal managers support the concept of linking budgets to performance goals, but expressed their frustrations with the process in a Town Hall Forum at the Government Performance Summit. As one of five town hall forums at the Summit allowing federal managers to "tell their stories" of implementing the PMA at their agency, participants in this forum addressed their challenges and presented ideas for assistance from the Administration. To read more, go to: Government Executive

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3. Improved Financial Management

a. OMB's Joe Kull States the Status of Agency Audits

-Joe Kull, Deputy Controller, Office of Management and Budget, provided an implementation update on improved financial management at the Government Performance Summit. He spoke about the successes at Treasury, USPS, and SSA who all had clean audit opinions and closed in 45 days. Success factors included absolute commitment, internal and external audit teams who coordinated and communicated, and re-engineered processes. Mr. Kull commented on the major activities that cause issues for agencies as being: property, plant, equipment; environmental liabilities; consolidation process; materiel weakness; and, intergovernmental transactions. He also stated that by 2004 or 2005 at the latest, every agency will have a clean audit opinion. For more information on improved financial management, go to:
http://www.governmentperformance.org

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4. Strategic Management of Human Capital

a. PMA Research Report Released: Strategic Recruitment for Government

-In the third of it's five PMA best practice reports, The Performance Institute released "**Strategic Recruitment for Government: Ten Innovative Practices for Designing, Implementing, and Measuring Recruitment Initiatives in Government,**" in order to identify and document innovative strategies to address the human capital crisis, promote the use of best practice recruitment programs to meet the human capital requirements of the PMA, and advance a framework supporting agencies in

their human capital planning. To download the report and other pertinent information, go to: govworkforce.org

-The report authors, Carl DeMaio and Patti Powers, will be presenting at a briefing on the findings of the report at the official report release on March 14 at The Performance Institute in Arlington, VA. Admission is free and hard copies of the report will be available to attendees. For more information or to register, email Vincent Badolato at Vincent@performanceweb.org

b. OPM's Marta Perez Outlines Human Capital Framework and Standards

-Marta Perez, head of the Agency Merit System Accountability and Human Resource Programs division at OPM, provided an implementation update on the PMA strategic management of human capital initiative to Government Performance Summit attendees. She spoke of the changes both within OPM and throughout the federal government that have created an optimal environment for integrating the five PMA initiatives, linking human capital planning with agency strategic plans, and promoting accountability. Ms. Perez articulated the role that OPM plays in promoting this transition to accountability and performance management in government and educated conference delegates on the agency's Human Capital Accountability and Assessment Framework and the Human Capital Standards for Success. She also addressed the potential impact of the personnel flexibilities included in the Homeland Security Act, the Human Capital Performance Fund, and the proposed pay increases for members of the Senior Executive Service. To view this presentation, go to: governmentperformance.org

c. New Standards on Executive Performance Ratings on Hold

-Increased salary pay caps for senior executives cannot be taken advantage of until OMB ensures that agency performance appraisal systems make clear distinctions between average and outstanding performers, a process that will extend until at least this month. The existing standards have been criticized recently for not making a clear distinction for outstanding performance. OMB and OPM have yet to release the certified standards, which are still in draft form. To read more, go to: Government Executive

d. GAO Report: Diversity in the Senior Executive Service

-The General Accounting Office released a report on the future diversity of the Senior Executive Service (SES). GAO found that as the federal government faces large losses in its SES ranks through retirement and other normal attrition over the next five years, enhanced agency effort are needed to improve diversity in the service. Using current SES

appointment trends, the only significant changes in diversity will be an increase in the number of white women and an essentially equal decrease in white men. To download this report, go to: GAO Report

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5. Competitive Sourcing

a. OMB's Jack Kalavritinos Addresses Concerns Over Competitive Sourcing

-Jack Kalavritinos of the Office of Federal Procurement Policy at OMB spoke about the status of competitive sourcing in the federal government at the Government Performance Summit. Mr. Kalavritinos cited a number of agencies who have been working towards meeting sourcing goals including FAA, HHS, NIH, FDA, IRS, Justice and Interior. In addition, he spoke of the proposed changes to Circular A-76 that will be released in final form in the near future. He added that during the comment period, a number of responses came out from various individuals. The two areas people had the most concerns about were on the ISSA re-competition requirements and the 12 month timeframe for completing a study. To read more on updates regarding competitive sourcing, go to: governmentperformance.org

b. GAO Report: Commercial Use of Share-in-Savings Contracting

-The General Accounting Office released a report examining industry use of Share-in-Savings (SIS) contracting to determine whether there were any key conditions that need to be in place to make this technique successful in the federal government. SIS contracting is where the contractor assumes more risk by investing upfront costs but also receives a share in any savings generated by its efforts. GAO found that the form of SIS used in a commercial contract varied by contract and can be a highly effective contracting technique to motivate contractors to generate savings and revenues for their clients if there is specific agreement in their goals and objectives and how to achieve them. To download this report, go to: GAO Report

c. Defense Needs to Focus on Procurement and the Civilian Workforce to be Successful

-Undersecretary for Personnel and Readiness at Department of Defense David Chu addressed the Government Performance Summit in February stating that attention needs to be devoted to procurement strategies and the civilian workforce in order to maintain

the forces necessary to win the war on terrorism. Chu said that managers need to think creatively and look more toward the future rather than focusing too much on short-term operational glitches in order to address new and emerging threats. He stated that additional funding should be allocated to procurement in the coming year. To read more, go to: Government Executive

d. Competitive Sourcing Under a Revised A-76 Process
April 22-23 Arlington, VA

-The Performance Institute is sponsoring a conference to provide up-to-date information on the new competitive sourcing developments and how to use these changes to improve the efficiency of government departments. Sessions are designed to walk through A-76 changes for major parts of the competition process, including preparation of the PWS/QASP, source selection using Sealed Bid and evaluation of bids under the "Cost/Technical Tradeoff" and "Lowest Priced Technically Acceptable" methods. Attending this conference will ensure that your agency has the tools and the mastery of the new sourcing rules to stay ahead of the competitive sourcing process. For more information or to register, contact Marco Amaro at 703-894-0481, or via email at Amaro@performanceweb.org

e. Performance-Based Contracting in Government
April 24-25 Arlington, VA

-The Performance Institute is sponsoring a conference focused on the seven-step process of performance-based contracting to meet departmental mission and program needs. This conference will provide a comprehensive walk through of each of the seven steps of performance-based acquisition and how to directly implement these steps into agency acquisition plans. Industry and government leaders in PBSC will discuss topics that include the development of a performance work statement (PWS) or statement of objectives (SOO), learning how to select the right contractor and deciding how to measure and manage performance. For more information or to register, contact Marco Amaro at 703-894-0481, or via email at Amaro@performanceweb.org

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6. Citizen-Centered e-Government

a. OMB's Mark Forman Reiterates the Importance of e-Gov

-Mark Forman, Associate Director for Information Technology and E-Government at OMB, discussed applying Information Technology to the other four goal areas of the PMA at the Government Performance Summit. Mr. Forman reiterated that e-Government must be citizen-centered, results-oriented, and market-based and is an integral part of the PMA. He made a point to stress that the federal government must focus on e-Government and not only information technology. Mr. Forman pointed out that over 750 ($21 billion) programs at the federal level are on the "At Risk List," requiring that investment decisions be made using an enhanced business case. He also stated that the federal government must focus on unifying and simplifying around the needs of the citizen. To view his slide presentation, go to: governmentperformance.org

b. OMB Launches e-Gov Site

-Office of Management and Budget unveiled the official site of the President's e-Gov Initiatives, egov.gov. This new website offers a one-stop service to all of the 24 e-Gov initiatives, categorized into government to citizen, government to government, government to business, internal effectiveness and efficiency, and e-authentication. It also contains information on all new progress being made governmentwide on the 24 e-Gov initiatives. To access this website, go to: egov.gov

c. Mark Forman to be Named Administrator of the New e-Gov Office

-The President intends to appoint Mark A. Forman to be Administrator of the Office of Electronic Government, the Office of Management and Budget (OMB). Forman currently serves as the Associate Director for Information Technology and E-Government at OMB. His responsibilities will not change significantly with his new position as the language that creates the new office in the 2002 E-Gov Act was based on Forman's current position. His term will extend past the current Administration term. To read the press release, go to: White House Press Release

d. New Version of GovBenefits Launched by Labor

-The U.S. Department of Labor, with OMB support, launched a new version of the GovBenefits.gov portal, a Web site developed to serve citizens as a one-stop resource for government benefit eligibility information. This version of GovBenefits.gov adds significant new features and functionality to the site, which include: homepage enhancements, a new partner room, a new Spanish language page, and new press room. To read more, go to: e-Gov Press Release

e. Government Technology Performance Measurement Summit 2003 April 28-

30 Washington, DC

-The Performance Institute is sponsoring a summit for designing and implementing performance measures for information technology and e-Government. Participants will learn how to justify IT investments and target scarce resources with mission-aligned performance goals and measures. This summit will examine the requirements of the 2002 e-Government Act, address emerging standards for privacy, security and architecture, implementing refined and proven performance measures for all government IT functions and e-government initiatives, and preparing for rising performance expectations and demands for improved IT budget justification and coordination. For more information or to register, contact James Lewis at 703-894-0481, or email at Lewis@performanceweb.org

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The Performance Institute is a private think tank that serves as the nation's leading authority and repository on performance-based management practices for government organizations. Its mission is to identify, study and disseminate the leading management innovations pioneered by "best-in-class" government programs at federal, state and local levels. Through its national conferences on pressing issues, interactive executive training programs, and best practice research projects, the Institute provides cutting-edge expertise in the design, implementation and evaluation of strategies to solve operational challenges and enhance government performance.

Reason Public Policy Institute is a public policy think tank promoting the principles of competition, accountability, performance and transparency in government. Through practical and innovative approaches to complex government management problems, Reason seeks to assist federal, state and local government leaders in implementing change in the design and management of government programs.