Here is April's edition of the President's Management Agenda newsletter.

Featured in this month's newsletter, The Performance Institute sent an open letter to lawmakers on Capitol Hill trumpeting ExpectMore.gov's benefit to taxpayers, a website that promotes government transparency. Also included is the competitive sourcing report from OMB, taxpayers continue to win with competitive sourcing. Read both these articles and more on federal management.

Enjoy,

Carl



APRIL 2006

*** If you find this newsletter useful and informative please forward it to your friends and colleagues! ***

UPCOMING EVENTS

The 2006 Lean Six Sigma for Government
May 18-19, 2006 | Arlington, VA

Government Labor Relations and Work-Life Summit
May 22-25, 2006 | Arlington , VA

Government Project Management Week
June 5-9, 2006 | Arlington, VA

The 2006 National Summit on Strategic Recruitment and Retention for Government Agencies
June 12-14, 2006 | Arlington , VA

Strategic Planning for Government
June 26 – 27, 2006 | Arlington, VA

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- Acquisition and Competitive Sourcing
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Government-Wide News

Strategic Planning in Government

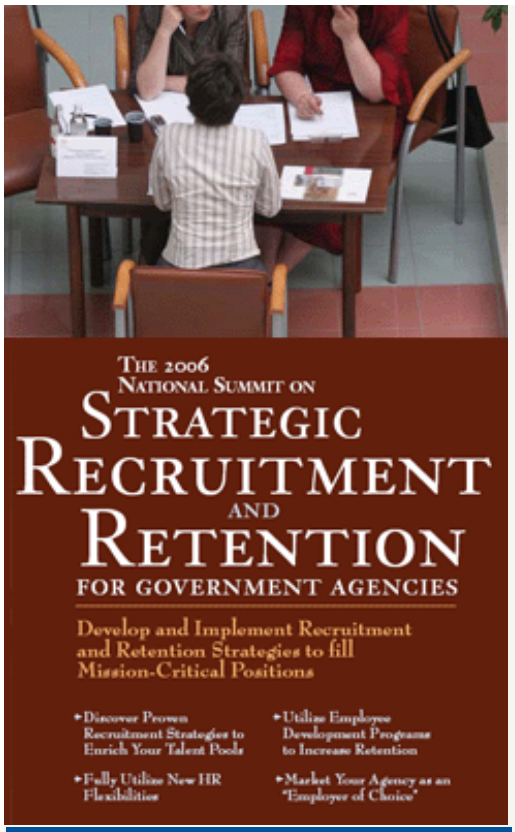
Strategic Planning will focus on developing a performance-based strategic plan by applying the Strategic Management Framework methodology as a template for developing a results-oriented strategic plan for your government programs. This framework is derived from best practices at all levels of government and is compliant with the GPRA strategic planning criteria and OMB guidance. To learn more, go to http://www.performanceweb.org/CENTERS/GPM/Events/P531/P531.htm

Card resigns as top White House aide; OMB chief to take over

White House Chief of Staff Andrew Card resigned recently, and President Bush named Office of Management and Budget Director Joshua B. Bolten to replace him. Card leaves the Bush administration after more than five years as the top White House aide, making him one of the longest-serving chiefs of staff in history. Read more at http://www.govexec.com/story_page.cfm?articleid=33701&dcn=e_gvet

Bolten said to have stayed the course as OMB director

The announcement that Joshua Bolten will move from the Office of Management and Budget to the White House is causing little stir among observers who say that over his tenure as OMB director, he continued the management priorities set by his predecessor and implemented budget policies set from the White House. President Bush announced last week that Bolten will replace Andrew Card as his



WEBINARS

Employee Performance Management
May 17, 2006

To see more webinar events please click here www.PerformanceWeb.org/Webcast

How Does your Organization Measure Up?

The Performance Institute is helping government manage for RESULTS! See how well your organization measures up. Take our free Performance Measurement Assessment: www.PerformanceWeb.org/Survey

Partner Information

Performance-Based Budgeting: Reach Green and Stay There
ALG Software is a leading provider of single-solution performance-based budgeting, activity-based cost management, and performance measurement software. Successfully used by federal government organizations to “Reach Green and Stay There” on the OMB Scorecard, our solutions are employed a broad range of agencies and departments. To learn more visit www.algsoftware.com/fedpi

chief of staff, bringing back to the White House a loyal foot soldier who served both Bush presidencies in numerous roles, inside and out of the White House. Many of the management initiatives that Bolten has focused on as OMB director -- especially expanding evaluations of federally funded programs through the Program Assessment Rating Tool and pushing agencies to better performance as measured by the traffic-light-style President's Management Agenda score card -- were put in place by Bolten's predecessor, Mitch Daniels. Read more at http://www.govexec.com/story_page.cfm?articleid=33707&dcn=e_tma

The Status of Strategic Planning in the National Capital Region

Among its other statutory responsibilities, the Office of National Capital Region Coordination is charged with coordinating with NCR agencies and other entities to ensure adequate planning, information sharing, training, and execution of domestic preparedness activities among these agencies and entities. Read more at http://www.gao.gov/highlights/d06559thigh.pdf

Which Federal Agencies Best Inform the Public?

The Mercatus Annual Performance Report Scorecard rates and ranks the major departments and CFO Act agencies based on the fullness and accuracy of their disclosure. The Scorecard also highlights best and worst practices among the agencies' annual performance and accountability reports. Read more at http://www.mercatus.org/governmentaccountability/category.php/45.html

House vote expected on new panel to 'sunset' ineffective programs, agencies

A proposal that could lead to termination — or "sunset" — of agencies and programs that fail to prove their worth every 10 years may make it to the House floor for the first time this spring. The measure will likely come up for a vote during the first two weeks in June, said Kevin Madden, a spokesman for Majority Leader John Boehner, R-Ohio. Read more at http://federaltimes.com/index.php?S=1723034

Institute Urges Congress to Link to ExpectMore.gov

The Institute has sent an open letter to lawmakers on Capitol Hill trumpeting ExpectMore.gov's benefit to taxpayers. "I urge you to share with your constituents the current efforts to bolster government transparency by driving them to ExpectMore.gov. Americans deserve a government that performs and openly reports its results," wrote the Institute's President Carl DeMaio .

http://www.performanceweb.org/Press/2006/expectmorehillletter_2-16-06.pdf

How can agencies engage their citizen customers?

Governments across the globe are facing similar pressures to change their traditional public-input processes to allow meaningful participation in decision-making. Changes to traditional processes of seeking, reviewing and incorporating public comment into policy-making are being driven by citizens' expectations for better, faster and more transparent processes. Traditionally, public managers have seen citizen input as either a time-consuming requirement or a barrier to progress. However, research shows that engaging citizens in meaningful dialog leads to greater consensus on results. Read more at http://www.federaltimes.com/index.php?S=1658441

Attend the Institute's training on **The 2006 Citizen-Centered Service for Government Conference** on July 26-27, 2006. For more information, go to www.performanceweb.org

Lean Six Sigma

Lean Six Sigma is a process improvement methodology that allows you to achieve dramatic results through decreased cycle time and increased quality. It does this by identifying and eliminating non-value added steps in your process and reducing the number of errors that could occur per every opportunity. Lean Six Sigma can reduce processes that normally take weeks to a matter of days or hours, and it can be applied to any government service or transaction. For firsthand insight into the most powerful process improvement methodology available, we invite you to a part of the **2006 Lean Six Sigma for Government Conference** on May 18-19, 2006 in Arlington , VA. It promises to be the most comprehensive Lean Six Sigma conference to date that is specifically designed for government. To learn more visit: http://www.performanceweb.org/CENTERS/GPM/Events/P596/P596.htm

Budget and Performance Integration

OMB program assessments viewed as flawed budget tool

At The 2006 Government Performance Summit on April 3-5, which attracted more than 300 government managers from all levels of government, Mike Hettinger, staff director for the House Government Reform Subcommittee on Government Management, Finance and Accountability, spoke about the PART, congressional intent and the potential politicization of the review process. Read more at http://www.govexec.com/story_page.cfm?articleid=33751&dcn=e_gvet

FAA Case Study Shows How Agency Performance, Budgeting, and Financial Information Could Enhance Oversigh

The Federal Aviation Administration (FAA) has made available much of the information and analytic resources that Congress needs to carry out its oversight function. For example, FAA has a strategic plan with long-term, outcome-oriented goals and objectives. Its annual Performance and Accountability Report includes the agency's progress in achieving its goals, and allows Congress to monitor

performance trends. Read more at
http://www.gao.gov/highlights/d06378high.pdf

Improved Financial Performance

Progress cutting improper payments may be overstated

A review of FY2005 data reported to the Office of Management and Budget depicted that agencies are making progress in identifying improper payments. This has been attributed to the reductions in mistaken Medicare payments, but also the improvements in record-keeping as reported by government auditors. Read more at
http://www.govexec.com/story_page.cfm?articleid=33771&dcn=e_gvet

Long-Term Fiscal Planning Hampered by Control Weaknesses and Uncertainties in the Federal Government's Estimates

According to a recent GAO report, the federal government's environmental liability reflects the estimated cost to clean up and dispose of environmental contamination in every state in the nation. The Department of Energy and Defense report about 99 percent of this liability. Energy's reported liability of $182 billion relates primarily to the cleanup and disposal of nuclear waste, contamination, and by-products that resulted from decades of nuclear weapons production. Read more at
http://www.gao.gov/highlights/d06427high.pdf

Debt Management: Treasury Has Refined Its Use of Cash Management Bills but Should Explore Options That May Reduce Cost Further

According to a recent GAO report, treasury makes large, regularly occurring payments, such as Social Security and federal retirement payments, in the beginning of the month and often receives large cash inflows in the middle of the month from income tax payments and note issuances. Because regular bills alone are not sufficient to fill these intramonth cash financing gaps, since 2002 Treasury has increasingly issued cash management (CM) bills to bridge this gap. Read more at
http://www.gao.gov/highlights/d06269high.pdf

Financial Management Systems: DHS Has an Opportunity to Incorporate Best Practices in Modernization Efforts

GAO's work and that of agency inspectors general over the years has shown that agencies have failed to employ accepted best practices in systems development and implementation (commonly referred to as disciplined processes) that can collectively reduce the risk associated with implementing financial management systems. Read more at
http://www.gao.gov/highlights/d06553thigh.pdf

Internal Control Breakdowns and Ineffective Oversight Lost Taxpayers Tens of Millions of Dollars

Breakdowns in key internal controls, a weak control environment, and ineffective oversight of State's centrally billed travel accounts resulted in taxpayers paying tens of millions of dollars for unauthorized and improper premium-class travel and unused airline tickets. State's over 260 centrally billed accounts are used by State and other foreign affairs agencies to purchase transportation services, such as airline and train tickets. GAO found that between April 2003 and September 2004 State's centrally billed accounts were used to purchase over 32,000 premium-class tickets costing almost $140 million. Read more at
http://www.gao.gov/highlights/d06298high.pdf
To learn more, go to http://www.performanceweb.org/CENTERS/FM/Events/P537/P537.htm

Strategic Management of Human Capital

Agencies Urged to Customize Pay-For-Performance Systems

The private sector is seeing a large increase in the number of agencies instituting pay-for-performance strategies in the workplace. Merit Systems Protection Board believes that pay-for-performance plans need to be customized to meet agency missions and environment, so they are coaching agencies on how to tailor their programs. To read more on this topic visit:
http://govexec.com/story_page.cfm?articleid=33754&sid=2

Employee Buyouts on the Rise

In an attempt to reshape the federal workforce agencies are offering employees up to 25,000 to voluntarily leave their positions. These buyouts coupled with an added early-out option are being used in an attempt to avoid involuntary layoffs and maintain employee moral. To read more about the federal buyouts visit:
http://govexec.com/story_page.cfm?articleid=33752&sid=2

Adding Telework to Agency Survival Kits

Telework is being viewed as the new way technology could transform the way people work. In fact, telework has already proven to be more than a work life initiative for the Treasury Inspector General for Tax Administration (TIGTA). TIGTA has plans to utilize telework as a means of survival in the event of a crisis. To read more about how TIGTA is using telework visit:
http://www.fcw.com/article92789-04-03-06-Print

Panel Weighs Proposal to Digitize Federal Employee Health Records

Federal Employee Health Benefit Program maybe stepping into the digital age as congress debated a bill Wednesday that would convert the current paper health records of more than 8 million participants in the Federal Employee Health Benefit Program to a portable electronic version. The new system would streamline the federal health benefit program, thus boosting efficiency, and establish a transparency of information lost amongst all of the paper used in the current system. To read more about this bill and visit:
http://govexec.com/story_page.cfm?articleid=33618&sid=2

OPM Director Pushes Part-Time Work in Lieu of Retirement

OPM director Linda Springer is fighting to make part-time arrangements for longtime federal employees common place. Springer believes that with impending baby-boomer retirement allowing longtime federal workers to continue working in a part-time capacity will help alleviate the current worries of as widening knowledge gap between seasoned staffers and the younger generations looking to take their place. To read the full story visit:
http://govexec.com/story_page.cfm?articleid=33603&sid=4

Feds Roiled by Workforce Changes

The civilian personnel system for the department of defense is going through a major overhaul. The new system calls for greater managerial discretion when distributing budgeted funds to attract, hire and retain talent in their workforce. The new system also addresses the issue of current system's across-the-board pay raises calling for a pay for performance structure, which was part of Bush's 2005 Working for America Act. To get more details on this story visit:
http://www.fcw.com/article92524-03-13-06

PFP Bombshell

Discussions over resent federal judge rulings that rendered the labor portion of the personnel overhauls at the Department of Defense and Homeland Security departments illegal have raised many questions about the proposed Working for America Act. Reportedly Bush administration officials may let go of the labor relations portion of the Act for personnel reforms already in place at

the Department of Defense and Homeland Security. To read more about this story visit:
www.federalnewsradio.com/index.php?nid=169&sid=353472

A Road Map for Agencies Switching to Pay for Performance

As government agencies switch to a pay-for-performance model there are some concerns that have risen. For instance, many believe that a performance based system requires a "higher level of supervisory skill" that must be accounted for as managers now will have more discretion in the evaluation process. To get the full story on some of the issue that must be faced, and how they are being handled, in the change from the traditional grade-and-step visit:
www.washingtonpost.com/wp-dyn/content/article/2006/03/27/AR2006032701809.htm

Strategic Recruitment and Retention for Government Agencies

It is clear that the recruitment and retention of employees is one of our biggest concerns. Taking into consideration the wave of staff eligible for retirement now and within the next few years, government recruiters need more practical and measurable recruitment strategies. These more effective strategies are imperative to governments' ability to serve the public and fulfill their missions. We invite you to be a part of The 2006 National Summit on Strategic Recruitment and Retention for Government Agencies on June 12-14, 2006 at The Performance Institute. Attendees of this event will learn how to employ HR flexibilities to recruit and retain the top talent for their organizations. Additionally, you will attract more qualified applicants into their talent pools and successfully decipher the "perfect hire" for your organization. To learn more, go to http://www.performanceweb.org/CENTERS/HC/Events/P588/P588.htm

Bush Team Hopes April Appeal Will Revive Personnel Reforms

The Bush administration is anxiously awaiting an April 6 appeal date that could prove to be a pivotal ruling in resurrection of the personnel reform portion of the Working for America Act. Previous rulings have concluded that the Defense Department and Defense and Homeland Security have gone well beyond Congress's intent and have been over restricted the collective bargaining rights of the unions. To read more about these rulings and the effect the appeal can have on the progress of pay-for-performance strategies visit:
www.govexec.com/story_page.cfm?articleid=33682&dcn=e_gvet

Acquisition and Sourcing

Taxpayers Continue to Win with Competitive Sourcing

According to a recent OMB report, public-private competitions initiated in 2005 will save over $3.1 billion over the next five to ten years. Competitions initiated from 2003-2005 will save nearly $5.6 billion over the same period. To read more click here
http://www.performanceweb.org/Press/2006/competitvesourcing_4-21-06.pdf
Click here to view OMB report http://www.whitehouse.gov/omb/procurement/comp_src/cs_annual_report_fy2005_results.pdf

OMB touts savings potential of 'best value' contracting

The Office of Management argued in a report released last week that extending the use of criteria on quality, as well as cost, in bids in public-private competitions for federal work would increase overall savings to the government. A federal acquisition advisory panel composed of leaders in the procurement community, which The Performance Institute's President Carl DeMaio is a member and has made recommendations on this topic. To read more click here http://www.govexec.com/story_page.cfm?articleid=33922&dcn=todaysnews

Bush names new GSA administrator

The White House recently announced the nomination of a new General Services Administration administrator to replace the last permanent administrator Stephen Perry who left office in October. She is Lurita Alexis Doan, a Virginia businesswoman, who would replace the acting administrator David Bibb.

Read more at
http://www.govexec.com/story_page.cfm?articleid=33774&dcn=e_wfw

Panel: OMB should eliminate quota for performance-based acquisition

Carl DeMaio, President and Founder or The Performance Institute is a member of the congressionally mandated Acquisition Advisory Panel. Recently, the panel has maintained a preliminary decision to recommend that agencies use performance-based contracts more consistently but avoided suggesting overly prescriptive policies on how such procurements should be carried out. To read more, go to
http://www.govexec.com/story_page.cfm?articleid=33722&dcn=todaysnews

Buy Lines: 'Big A' acquisition is here to stay

This spring, along with the cherry blossoms, the scent of acquisition reform is wafting in the breeze here in Washington . That breeze is likely to stiffen a bit by midsummer upon delivery of the Acquisition Advisory Panel's reports to Congress. Carl DeMaio, President and Founder of The Performance Institute is a member of this panel and a recognized industry expert on federal acquisition. This article outlines the transition in definition of acquisition and the reforms set to take place later this year. To read more, go to
http://www.washingtontechnology.com/news/21_7/federal/28345-1.html

Turning GSA around

GSA has disclosed that FTS' governmentwide acquisition contract program has been losing money — nearly $3 billion in the past two years. Those losses will force GSA to reduce its staff by 400 employees as part of the pending creation of the Federal Acquisition Service (FAS). To read more, go to
http://www.fcw.com/article93985-04-10-06-Print

No longer a performance model, TSA's ITMS provides lessons

Once considered a model for performance-based contacting, the Transportation Security Administration's massive Information Technology Managed Services (ITMS) program is now receiving criticism for some of its faults. To read more, go to
http://www.fcw.com/article93996-04-10-06-Print

Former acquisition official at Defense agency sentenced to 11 years

A former senior Defense Department official was sentenced to more than 11 years in prison for directing $18.1 million in government funds to a contractor who was secretly giving him $500,000 in cash, vacations and other kickbacks. To read more, go to
http://www.govexec.com/dailyfed/0406/040706k1.htm

Understaffing is worst problem in procurement, managers say

At a conference about contract management, the issue most on people's minds was not contract law or negotiating techniques, or even how to contract during disasters.
The biggest issue is understaffing. How can agencies bring in more people to tend to the government's ballooning workload?
“That's the No. 1 issue on just about anybody's mind right now: How do you find qualified people?” said Terry Raney, a senior vice president with CACI Inc., a company that provides professional services to the government. To read more, go to
http://www.federaltimes.com/index.php?S=1688154

Expanded E-Government

Agencies Push toward Portfolio Management for Lines of Businesses

The Government Performance Summit, The Performance Institute's flagship annual event, hosted Lisa Schlosser, Housing and Urban Development Department IT chieftain, said the consolidation of business cases into lines of business portfolios is one of a handful of trends that are emerging in agencies.
http://www.gcn.com/online/vol1_no1/40323-1.html?topic=project-management

OMB's Clay Johnson predicts e-government's future

On April 3-5 The Performance Institute hosted its 8 th annual Government Performance Summit at the M St hotel in Washington DC . Hosted annually since 1999 by a coalition of good-government groups, the Government Performance Summit is the annual performance management event for the federal government. The Summit is led by speakers from the upper echelons of the Executive and Legislative branches, as well as leading federal managers, who offer their experience and advice to managers looking to improve the results earned by their programs and agencies. To read more, go to: http://www.gcn.com/online/vol1_no1/40325-1.html

Feds fumble with FISMA performance

Security is rule number 1 as the Federal Government enhances its technology infrastructure. The Federal Information Security Management Act is the law that requires federal agencies to report to the Office of Management and Budget and to Congress on their progress in improving information security. To read more, go to: http://www.gcn.com/print/25_7/40277-1.html

President: Carl DeMaio
Newsletter Editor: Cynthia Craig

The **Implementation Update on the PMA** is provided as a free monthly e-newsletter to all federal employees about the latest news from the federal government and independent news media about the President's Management Agenda— the Administration's plan to improve performance of government. 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.

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