



United States
General Accounting Office
Washington, D.C. 20548

Resources, Community, and
Economic Development Division

B-276114

February 26, 1997

The Honorable Richard G. Lugar
Chairman
The Honorable Tom Harkin
Ranking Minority Member
Committee on Agriculture, Nutrition, and Forestry
United States Senate

The Honorable Bob Smith
Chairman
The Honorable Charles W. Stenholm
Ranking Minority Member
Committee on Agriculture
House of Representatives

Subject: USDA MANAGEMENT: Progress in Meeting GPRA's Requirements

Over the past several years, the Congress has taken steps to fundamentally improve the way federal agencies do business. These changes have been driven by the need to address mounting concerns over budget deficits and public demands that federal agencies do their jobs more effectively with fewer people and at lower cost.

The Government Performance and Results Act of 1993 (GPRA) is one way the Congress is making government agencies more accountable for their performance.¹ With this law, the Congress imposed on federal agencies a new and more businesslike framework for management and accountability, shifting the focus from staffing and activity levels to "outcomes" of federal programs. Outcomes are results expressed in terms of the real difference federal programs

¹For additional information on GPRA, see GAO's report Executive Guide: Effectively Implementing the Government Performance and Results Act (GAO/GGD-96-118), June 1996.

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make in peoples' lives, such as the reduction in deaths caused by contaminated food products or the increase in credit availability for rural communities. In order to measure federal agencies' performance, GPRA requires that agencies establish long-term strategic goals, as well as annual performance goals that are linked to them. GPRA also requires that agencies consult with the Congress and other stakeholders during this process. These consultations are an important opportunity for the Congress and the executive branch to work together in reassessing and clarifying the missions of federal agencies and the outcomes of agencies' programs.

The U.S. Department of Agriculture (USDA), the fourth largest federal agency, is a complex organization with multiple and sometimes disparate missions. The agencies within the Department provide scores of services—from managing and overseeing the use of our nation's forests and timber, to administering food assistance programs for needy citizens, to regulating the safety of meat and poultry products for human consumption. Under GPRA, USDA is required to establish long- and short-term goals that set a standard for measuring its performance in providing these numerous services. Specifically, by September 1997, USDA must (1) develop a departmentwide strategic plan, which includes a mission statement and long-term strategic goals for fiscal years 1997 through 2002, (2) consult with the Congress in preparing this strategic plan, and (3) establish annual performance plans and goals that describe how it will achieve the objectives in its strategic plan.² To assist you in monitoring USDA's progress in complying with GPRA's requirements, we agreed to provide you with a status report on USDA's efforts to date.

USDA'S PROGRESS IN MEETING GPRA'S STRATEGIC PLANNING REQUIREMENTS

We found that USDA has taken steps toward meeting its September 1997 deadline for completing its strategic plan. Because of the numerous and diverse missions of USDA's agencies, the Secretary of Agriculture required each agency to develop its own strategic plan, which will be incorporated into the

²Annual performance plans will accompany the fiscal year 1999 budget request.

departmentwide plan.³ Each agency had completed its draft 6-year plan by the summer of 1996. The Office of Management and Budget's (OMB) Circular No. A-11, "Preparation and Submission of Strategic Plans," states that strategic plans should contain (1) a mission statement, (2) a description of general goals and objectives and how they will be achieved, (3) a description of the relationship between the agency's performance goals in its annual performance plans and general goals in its strategic plans, (4) key factors that could affect achievement of the general goals and objectives, and (5) a description of program evaluations to be used and a schedule for future evaluations. Both OMB and USDA's Office of the Secretary reviewed and commented on these plans, which were returned to the agencies for revision. USDA anticipates that revisions to the mission and agency-level plans it is preparing will be completed by February 1997. According to USDA officials, these plans will still be subject to refinement and revision by the Office of the Chief Financial Officer, senior policy officials, and the Secretary of Agriculture. The plans may also be revised on the basis of information provided by customers, employees, and other stakeholders, as well as the Congress. We obtained copies of these plans, but because they are still in the drafting stage, we did not review the quality of these plans. (See encl. I for a list of the mission area and agency-level strategic plans being prepared.)

While the draft agency-level plans are being revised, USDA is developing its departmentwide plan. According to USDA, this plan will include an executive summary and the plans of the mission areas and agencies. The executive summary will focus on the interrelationships of the mission areas/agencies to the Department and will include (1) a letter from the Secretary, (2) a Department mission statement, (3) the Secretary's major themes for USDA, and (4) a brief description of each mission area/agency, among other sections. OMB guidance states that agencies should engage in frequent consultation with OMB staff during the preparation of strategic plans. In keeping with this guidance, USDA expects to send this plan to OMB for review in April 1997.

³USDA's 29 agencies are encompassed under seven mission areas. The Rural Development Mission Area, including the Rural Business-Cooperative Development Services, the Rural Housing Service, and the Rural Utilities Service, chose to develop one comprehensive strategic plan rather than have each agency develop an individual plan. Other mission areas chose to develop mission area plans as well as agency-level plans.

USDA'S PLAN FOR CONSULTING WITH THE CONGRESS ON THE STRATEGIC PLAN

GPRA requires that agencies consult with the Congress when developing their strategic plans. Under the act, agencies have discretion in how this consultation is conducted. USDA officials have not yet met with Members of Congress or their staffs to discuss USDA's progress in addressing GPRA's requirements. USDA plans to contact the Congress after its draft departmentwide strategic plan has been reviewed by OMB and the Secretary, sometime in the spring of 1997. USDA plans to discuss the appropriate nature and form of such consultation with cognizant congressional committees.

USDA'S PROGRESS IN DRAFTING ANNUAL PERFORMANCE GOALS AND PLANS

In addition to preparing a strategic plan, GPRA requires USDA to develop annual performance goals and plans. USDA and the Congress will use the annual performance goals to gauge the agency's progress toward accomplishing its strategic goals. These goals will also identify the measures the agency will use to assess its progress. Annual performance plans will provide the direct linkage between the goals outlined in the agency's strategic plan and the activities managers and employees perform on a day-to-day basis. These plans will show what the agency intends to accomplish during the fiscal year to help meet the long-term strategic goals and objectives. For example, if, hypothetically, the Natural Resources and Conservation Service within USDA sets a strategic goal of increasing by 50 percent the amount of U.S. cropland managed with conservation systems by 2002, then an annual performance goal for fiscal year 1999 might be to achieve a 10-percent increase that year. According to the USDA official in the Office of the Chief Financial Officer who is responsible for coordinating USDA's GPRA effort, draft agency-level performance goals are currently being developed in consultation with OMB and annual performance plans will follow thereafter. It is anticipated that draft goals will be established by the spring of 1997 and the plans will be developed during the fiscal year 1999 budget preparation cycle.

SCOPE AND METHODOLOGY

To determine USDA's actions under GPRA, we reviewed GPRA's requirements and discussed USDA's progress in meeting these requirements with officials in USDA's Office of the Chief Financial Officer. We also obtained and reviewed drafts of USDA's agency-level strategic plans. Our work was conducted from

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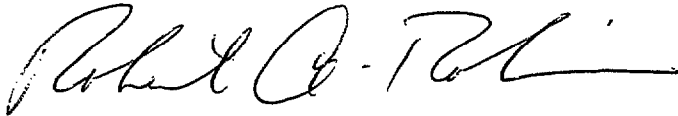
December 1996 to February 1997 under generally accepted government auditing standards.

AGENCY COMMENTS

We provided a copy of a draft of this report to USDA for its review and comment. In a meeting to obtain USDA's comments, the Acting Chief Financial Officer and members of his staff agreed with the information presented in this report and suggested several technical revisions that we incorporated as appropriate.

We are sending copies of this report to the Secretary of Agriculture. We will also make copies of this report available to others upon request. We will continue to keep you informed of USDA's progress in implementing GPRA requirements.

Please contact me on (202) 512-5138 if you or your staff have any questions.



Robert A. Robinson
Director, Food
and Agriculture Issues

USDA'S MISSION AREA AND AGENCY-LEVEL DRAFT STRATEGIC PLANS

The list below identifies both the mission area and agency-level strategic plans that USDA is drafting. An asterisk indicates that the plan is a mission area plan.

Agricultural Marketing Service
Agricultural Research Service
Animal and Plant Health Inspection Service
Center for Nutrition, Policy and Promotion
Cooperative State Research, Education, and Extension Service
Departmental Administration
Economic Research Service
Farm Service Agency
Farm and Foreign Agricultural Services*
Food and Consumer Service
Food Safety and Inspection Service
Foreign Agricultural Service
Forest Service
Grain Inspection, Packers and Stockyards Administration
Marketing and Regulatory Programs*
National Agricultural Statistics Service
National Appeals Division
Natural Resources and Environment*
Natural Resources Conservation Service
Office of Communication
Office of the Chief Information Officer
Office of the General Counsel
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Research, Education, and Economics*
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Rural Development*

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