



Highlights of [GAO-04-174](#), a report to congressional requesters

## Why GAO Did This Study

The Office of Management and Budget's (OMB) Program Assessment Rating Tool (PART) is meant to provide a consistent approach to evaluating federal programs during budget formulation. To better understand its potential, congressional requesters asked GAO to examine (1) how PART changed OMB's fiscal year 2004 budget decision-making process, (2) PART's relationship to the Government Performance and Results Act of 1993 (GPRA), and (3) PART's strengths and weaknesses as an evaluation tool.

## What GAO Recommends

GAO recommends that OMB (1) address the capacity demands of PART, (2) strengthen PART guidance, (3) address evaluation information availability and scope issues, (4) focus program selection on crosscutting comparisons and critical operations, (5) broaden the dialogue with congressional stakeholders, and (6) articulate and implement a complementary relationship between PART and GPRA.

OMB generally agreed with our findings, conclusions, and recommendations and stated that it is already taking actions to address many of our recommendations.

GAO also suggests that Congress consider the need for a structured approach to articulating its perspective and oversight agenda on performance goals and priorities for key programs.

[www.gao.gov/cgi-bin/getrpt?GAO-04-174](http://www.gao.gov/cgi-bin/getrpt?GAO-04-174).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Paul Posner at (202) 512-9573 or [posnerp@gao.gov](mailto:posnerp@gao.gov).

# PERFORMANCE BUDGETING

## Observations on the Use of OMB's Program Assessment Rating Tool for the Fiscal Year 2004 Budget

### What GAO Found

PART helped structure OMB's use of performance information for its internal program and budget analysis, made the use of this information more transparent, and stimulated agency interest in budget and performance integration. OMB and agency staff said this helped OMB staff with varying levels of experience focus on similar issues.

Our analysis confirmed that one of PART's major impacts was its ability to highlight OMB's recommended changes in program management and design. Much of PART's potential value lies in the related program recommendations, but realizing these benefits requires sustained attention to implementation and oversight to determine if desired results are achieved. OMB needs to be cognizant of this as it considers capacity and workload issues in PART.

There are inherent challenges in assigning a single rating to programs having multiple purposes and goals. OMB devoted considerable effort to promoting consistent ratings, but challenges remain in addressing inconsistencies among OMB staff, such as interpreting PART guidance and defining acceptable measures. Limited credible evidence on results also constrained OMB's ability to rate program effectiveness, as evidenced by the almost 50 percent of programs rated "results not demonstrated."

PART is not well integrated with GPRA—the current statutory framework for strategic planning and reporting. By using the PART process to review and sometimes replace GPRA goals and measures, OMB is substituting its judgment for a wide range of stakeholder interests. The PART/GPRA tension was further highlighted by challenges in defining a unit of analysis useful for both program-level budget analysis and agency planning purposes. Although PART can stimulate discussion on program-specific measurement issues, it cannot substitute for GPRA's focus on thematic goals and department- and governmentwide crosscutting comparisons. Moreover, PART does not currently evaluate similar programs together to facilitate trade-offs or make relative comparisons.

PART clearly must serve the President's interests. However, the many actors whose input is critical to decisions will not likely use performance information unless they feel it is credible and reflects a consensus on goals. It will be important for OMB to discuss timely with Congress the focus of PART assessments and clarify the results and limitations of PART and the underlying performance information. A more systematic congressional approach to providing its perspective on performance issues and goals could facilitate OMB's understanding of congressional priorities and thus increase PART's usefulness in budget deliberations.