

**SECTION 230—PREPARATION AND SUBMISSION OF THE ANNUAL PROGRAM  
PERFORMANCE REPORT**

**Highlights for the FY 2002 Program Performance Report  
and Section Index**

**Highlights**

- As required by statute, the program performance report covers FY 2002, and three previous fiscal years, 1999–2001.
- Most independent agencies must transmit their program performance report by February 27, 2003.
- The Cabinet Departments and ten major independent agencies must combine their performance report with their accountability report, and transmit the combined report by February 1, 2003.
- Actions being taken in response to assessments of program effectiveness or implementation of President’s Management Agenda initiatives should be covered in the performance report.

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**230.1 The purpose of the annual program performance report.**

The Government Performance and Results Act (GPRA or the Results Act) specifies the basic content of your annual program performance report (the annual report, the annual performance report) . The annual report provides information on your actual performance and your progress in achieving the goals and objectives in your strategic plan and annual performance plan (the annual plan). Actual performance is compared to the projected performance levels (targets) in your annual plan. Where target levels were not achieved, you explain why and describe the steps you are taking to accomplish such goals in the future. Your annual report also assesses the reliability and completeness of the performance data contained within it. The report covers both the fiscal year just ended, and three previous fiscal years.

As an agency, you submit an annual program performance report to the President and Congress. Your report is submitted within 150 days of the end of a fiscal year. [OMB Bulletin 01–09](#) (September 25, 2001) on the "Form and Content of Agency Financial Statements" requires the 14 Cabinet Departments and ten independent agencies (the Agency for International Development,, Environmental Protection Agency, Federal Emergency Management Agency, General Services Administration, National Aeronautics and Space Administration, National Science Foundation, Nuclear Regulatory Commission, Office of Personnel Management, Small Business Administration, and the Social Security Administration) to combine the program performance report with the accountability report and to transmit a combined FY 2002 performance and accountability report to the President, Congress, and OMB not later than February 1, 2003.

These annual performance reports introduce a greater emphasis on organizational and managerial accountability for program execution and results throughout the Executive branch. The GPRA provisions related to the program performance report are set out in [Exhibit 230](#) .

You prepare one annual report for a fiscal year. Missing or incomplete program performance data for the fiscal year is included, as it becomes available, in a subsequent year's annual report. Performance information for past years is also included in your annual plan (see [subsection 222.2\(b\)](#)).

**230.2 Relationships between the annual performance report and the strategic plan, the annual performance plan, and the accountability report.**

*(a) The general relationship between the strategic plan, the annual plan and the annual report.*

You base your annual report on the performance goals and indicators in your annual plan. Your annual report must cover all performance goals in your annual plan. In certain instances, the annual report need not cover every performance indicator in the annual plan. (See [subsection 231.2\(b\)](#) on omitting reporting on certain performance indicators. See section 200.2 for definitions of performance goals and performance indicators.)

Your agency's annual report can also record achievement of the general goals in your strategic plan. This is done as follows: when an annual plan for a particular fiscal year defines a general goal as a performance goal, the annual report for that year will cover achievement of that general goal.

An agency must also describe aspects of data collection and reporting that are specific to the fiscal year covered by the annual report (see [section 231.7](#)).

Coverage of other annual plan elements in your annual report is not mandated. An agency may also briefly narrate how the means and strategies described in the annual plan related to performance goal achievement.

*(b) Including actual performance information in the annual plan.*

In your FY 2004 annual plan, you include at least six years of performance information (see [sections 220.1](#) and [224.2](#)). This includes actual performance information for FY2002 as covered in the annual report, and actual performance information for FY 1999, 2000, and 2001. Information on actual performance, as it appears in the annual plan, should substantively mirror what is presented in the annual report. In the annual plan, you are not required to include comparisons between the projected and actual performance levels or provide explanation for why performance goal target levels were not met.

Actual performance information usually first appears in the final annual plan, which is generally sent to Congress in February. The initial annual plan is sent to OMB in September. This latter date is before the end of the fiscal year for which actual performance is reported. Thus, the initial plan will likely contain little actual performance information when sent. Agencies may add actual performance information to the initial plan during the Fall.

Special note for the 24 departments and agencies preparing a combined FY 2002 performance and accountability report You may include FY 2002 program performance data in your final FY 2004 performance plan that is not included in the combined report. Such data typically would either have become available after the combined report was prepared, or could not be included in the combined report as it is considered to be privileged material that may not be publicly released before transmittal of the President's budget. (The President's budget is transmitted after the February 1 date for submitting the combined performance and accountability report.) Program performance data appearing in the annual plan but not in the combined report is subsequently included in the FY 2003 program performance report.

You may also include other parts of your performance report, such as an explanation for why a goal was not met, or the results of program evaluations, in your annual plan. Information bearing on the achievement of current and future performance goals will be particularly relevant, and should be included.

Agencies may also add actual performance information to a revised final plan. (Only actual performance information that became available after the final annual plan was sent to Congress can be added.) Revised final plans are prepared in the Fall, and are completed by the end of the first quarter of the fiscal year covered by the plan. Information is added only for those goals that are being revised. An agency does not add actual performance information for unrevised goals. Rather, this latter information is included in next year's final performance plan. For example, an agency does not obtain actual FY 2002 performance information for a program until May 2003. The performance goals for this program are not changed in the revised final plan for FY 2004. The agency would not include this actual performance information in its FY 2004 revised final plan, but would include it in the FY 2002 column of the FY 2005 performance plan. (Also see [subsection 220.1\(b\)](#) on the three iterations of an annual plan.)

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The appearance of actual performance information in the annual plan does not relieve an agency of its responsibility to include the same information in an annual report. If newly obtained performance information appears in a revised final plan, this information must also be included in the subsequent year's annual report. This will ensure that actual performance information is presented along with other required elements of an annual report.

*(c) Combining the annual performance report with the annual plan.*

Your agency may choose to merge your annual performance report with your final annual plan. Agencies may not merge the annual report with the revised final plan, as this plan is not usually formally sent to Congress and the President.

An agency may also combine its annual plan, annual performance report, and Congressional justification into a single document. Before doing so, agencies should carefully consider the practicality of producing such a document. Coordination beforehand with appropriate Congressional committees and OMB is essential before attempting to combine the Congressional justification, annual plan, and annual performance report.

As sent to the President and Congress, all required elements of the annual performance report must exist in a single document, even when combined with the annual plan, or the accountability report.

An agency wishing to combine its annual performance report with another statutory report (other than an accountability report) should discuss this proposed combination with its OMB Resource Management Office before proceeding. The timing, transmittal, and distribution requirements of [section 232](#) apply to any such combined report.

*(d) Combining the annual performance report with the accountability report.*

Some agencies prepare an annual accountability report. [OMB Bulletin 01-09](#) requires that the 24 departments and agencies subject to the Chief Financial Officers Act prepare a combined performance and accountability report for FY 2002. Accountability reports are prepared consistent with requirements set out in the Reports Consolidation Act of 2000, and [OMB Bulletin 01-09](#).

The annual performance report may not be split among several documents, such as including several elements in the annual plan and placing others in an accountability report. In a merged document, agencies may adjust the placement of the required report elements to enhance their presentation.

Program performance information derived from the annual performance report is not subject to new or additional audit requirements as a consequence of its being included in the accountability report or the financial statement.

As the transmittal date for a combined performance and accountability report precedes the release of the President's budget, this report may not be merged with the annual plan.

**Combining the Program Performance Report  
and Accountability Report in Future Years**

OMB intends to advance the transmittal date of the combined annual performance and accountability report to November 15, approximately six weeks after the close of the fiscal year covered by the report. This date would be effective beginning with the report for FY 2004.

The effects of a November 15 transmittal date for the program performance part of a combined report, including the burden an accelerated reporting date could place on agency data collection and analysis and the prohibition against premature release of budget privileged material that might be in the report, are being further studied by OMB and discussed with the agencies.

**Section 4(b) of the Government Performance and Results Act**

(This excerpt from Section 4(b) covers 31 U.S.C. 1116 (a)-(f) on annual program performance reports, as amended by the Reports Consolidation Act of 2000.)

**"§1116. Program performance reports**

" (a) Not later than 150 days after the end of an agency's fiscal year, the head of each agency shall prepare and submit to the President and the Congress, a report on program performance for the previous fiscal year.

"(b)(1) Each program performance report shall set forth the performance indicators established in the agency performance plan under section 1115, along with the actual program performance achieved compared with the performance goals expressed in the plan for that fiscal year.

"(2) If performance goals are specified in an alternative form under section 1115(b), the results of such program shall be described in relation to such specifications, including whether the performance failed to meet the criteria of a minimally effective or successful program.

"(c) The report for fiscal year 2000 shall include actual results for the preceding fiscal year, the report for fiscal year 2001 shall include actual results for the two preceding fiscal years, and the report for fiscal year 2002 and all subsequent reports shall include actual results for the three preceding fiscal years.

"(d) Each report shall—

"(1) review the success of achieving the performance goals of the fiscal year;

"(2) evaluate the performance plan for the current fiscal year relative to the performance achieved toward the performance goals in the fiscal year covered by the report;

"(3) explain and describe, where a performance goal has not been met (including when a program activity's performance is determined not to have met the criteria of a successful program activity under section 1115(b)(1)(A)(ii) or a corresponding level of achievement if another alternative form is used)—

"(A) why the goal was not met;

"(B) those plans and schedules for achieving the established performance goal; and

"(C) if the performance goal is impractical or infeasible, why that is the case and what action is recommended;

"(4) describe the use and assess the effectiveness in achieving performance goals of any waiver under section 9703 of this title; and

"(5) include the summary findings of those program evaluations completed during the fiscal year covered by the report.

"(e)(1) Except as provided in paragraph (2), each program performance report shall contain an assessment by the agency head of the completeness and reliability of the performance data included in the report. The assessment shall describe any material inadequacies in the completeness and reliability of the performance data, and the actions the agency can take and is taking to resolve such inadequacies.

" (2) If a program performance report is incorporated into a report submitted under section 3516, the requirements of section 3516(e) shall apply in lieu of paragraph (1).

"(f) The functions and activities of this section shall be considered to be inherently Governmental functions. The drafting of program performance reports under this section shall be performed only by Federal employees.

Notwithstanding subsection (a) of section 1116 of title 31, United States Code as amended, an agency head may submit a report under such subsection not later than 180 days after the end of that agency's fiscal year with respect to fiscal years 2000 and 2001.