

Teleconference Forum with the Office of Management and Budget (OMB) and ADD - March 18, 2004

Participants: Sheila Romano and staff from Illinois, Cathy Lyle - MD Developmental Disabilities Council, Connecticut Council - Ed Preneta, Virginia Developmental Disabilities Council - Nan Pemberton, West Virginia - Jim Cremeans, Utah DD Council - Alison Lozano, Texas - Roger Webb and Sharon Pratcher, Tennessee Council - Lynette Swinford and Alicia Cone, California-Janet Eaton and Judy McDonald, Kansas - Jane Rhys, Adam Jones – Kentucky, Sheila Carey and Anna Lobosco - NewYork, Commissioner Pat Morrissey, Faith McCormick and Mary Beth Greene with ADD, Joanne Cianci Hoff –OMB , Susan Madison and Sheryl Matney-NACDD TA Project.

Susan Madison-NACDD: We're glad that you could join us. I do want to let everybody know that we're taping this teleconference today and it will be transcribed. I'll send the notes to all Councils so they'll have this in case they were not able to be on the call. As you know, we had asked Councils for questions ahead of time and we did receive three. The Commissioner is going to do an introduction and then we'll hear from our guest, Joanne Cianci Hoff, from OMB - the Office of Management and Budget, who will answer the questions that were provided ahead of time. If there's time for comments or additional items, Joanne can open that up. I would appreciate if you say your name before you speak.

Commissioner Morrissey - Welcome: Thank you very much, Susan. I'm very glad to be a part of this call and I want to thank Joanne for agreeing to do it, for a chance to have an exchange about the PART, what we have with regard to the PART measures. I think an important thing to mention up front for everyone's benefit is that the ADD PART is a concrete thing at this point and not subject to modification. And so I think that the questions can focus on explanations of what we have rather than wanting to do it this way instead, and we'll make a lot of progress. Because we are, in fact, wedded to the approach that we took at this point and it's a done deal. And with that, I think I'll turn it over to Joanne.

Joanne Cianci Hoff - Opening: Hello everyone. I wanted to start actually giving a little bit of background about OMB so you understand who we are. And then I'll go into a little bit of the history of the PART before I respond to some of the questions that were raised. The Office of Management and Budget is part of the executive offices, it's the White House budget office. We're approximately 500 employees and virtually everybody is in a cleared position, so we're not a political institution. And our mission is to assist the President in carrying out all of his constitutional and statutory duties, and that's largely done by supporting him and his staff and creating policy, managing the executive branch and, of course, putting together his budget. One of the priorities that President Bush had when he came in was what's now known as the President's Management Agenda. And actually, I'm just going to read a short quote from him from his campaign when he said "government should be results oriented, guided not by process, but guided by performance. There comes a time when every program must

judged either as a success or a failure. Where we find success, we should repeat it, share it and make it the standard. And where we find failure, we must call it by its name. Government and its purpose must be reformed or ended.” And that really served as the basis for the President’s Management Agenda. And the PART was developed as part of that agenda as a tool in basically helping the Executive Branch and the Congress routinely look at performance information in programs, and to do it in a way that is consistent.

The PART in and of itself – and it’s a Program Assessment Rating Tool – is a series of questions, designed to provide a consistent approach to reading programs across the government. It’s designed in four separate areas:

- The first is program purpose and design, which assesses whether the program and purpose is clear and defensible.
- The second part is strategic planning, which assesses whether the agency sets valid annual and long-term goals for the program. And also encompassed in that are other planning mechanisms including evaluation plans.
- The third part is program management. And there we look at the agency’s management of a program. And that includes financial oversight as well as efforts to incorporate program improvement.
- The final section is program results and accountability. And this is where we look at whether a program’s performance and its goals, the actual data and performance, meet the measures that they had set out and the goals that they had set out. And again, that also encompasses evaluation in there. It is roughly 25 to 30 questions. They are largely standard across all government programs. The only variations occur depending on the type of program. For instance, there are a couple of questions that are specific only to Block Grant programs that would not also apply to say a regulatory program. This is something that OMB works on with the agencies and we go through it question by question and look at the available evidence. And so it’s very much a team effort. As part of the President’s Management Agenda, the administration committed to completing PART on 100% of federal programs within five years. Due to the progress to date, approximately 400 programs, or about 40% of the budget has been accomplished.

One final point that I know gets a lot of attention, is what do our ratings mean?

Because in the ratings we’ll classify it as being effective, moderately effective, adequate, ineffective or results not demonstrated. These ratings are very broad. They’re intended to show about how a program scored. The ratings themselves are not directly linked to the budget, decisions or recommendations. In fact, there are some misconceptions that if you get a low score or rating on the PART, your program’s going to get cut. And while there have been instances where we have a program that has been rated as ineffective, that program has been cut, there are other examples in that situation where that program actually does not. And so, it’s not really the rating that matters as much as it is the evidence that was provided and the content of the PART throughout. It’s just a starting point for us to have a discussion, how do we view this program.

Janet Eaton-CA: One of the places where it cut out is, you said to date, about 400 programs and then it cut out. I didn't understand if 400 programs were already done, or there are 400 programs left to do.

Joanne-OMB: 400 programs have been done. Susan had requested that we read the questions received from Councils aloud and then I will do a response.

Question 1: As we conduct our work, we routinely and systematically look at outcomes and impacts of our funded programs and their contributions to meeting the objectives of our state plan and to infusing new features into our state service delivery systems. In order to improve our response, we need to have a full understanding of the PART findings. And the first sub-question to that is, when conducting the PART, what did you see as the program strength and what did the PART show as our most critical program weaknesses?

Actually, when I went through the PART, I didn't really think about it in terms of strengths and weaknesses. Rather, was the program well designed, does it address the problem, and are there resources appropriately targeted to address that problem. And I would say that these programs have a clear purpose. They complement other public and private efforts. And it appears as though the Councils have a great deal of flexibility in targeting the resources in areas where they deem have the greatest need. And that would be what we want to see happening. In terms of the PART, areas where there are clear opportunities for improvement, one of the things we do look at is is there data available and does that data indicate that a program is meeting it's goals. And also, what are the evaluations showing? And those are areas where, I know you all are doing your data collections but we don't have clear evidence yet that the programs are meeting the measures set forth. And part of that is because we have adopted some new measures for the program, and so it's going to take a little bit of time before that comes through. Also, ADD is in the process of looking at opportunities for doing an evaluation effort outside of the normal data collection.

The next question was: How and when does the PART review and rating impact our appropriation? And, as I said earlier, the content of the PART is definitely considered in making budget recommendations, and that's something that we pull together in the Fall. But again, the rating alone is not the only factor that we look at in making a recommendation. Rather, the rating prompts the question, why did the program receive that rating and trying to have a discussion about areas where there might be room for improvement.

What are the most important next steps for us and striving for a rating of effective? I would say that in general, the largest component in receiving a PART rating of effective again is having qualitative, verifiable data that indicates the program is meeting its intended purpose. And so that's something that I think we will probably be seeing over time.

Did anyone want any clarification on any of that before I move onto the second set of questions? Okay.

The second question was, we don't particularly have any problems with negotiated performances measures. But we would like to understand a little better in order to respond effectively. What is the logic that was employed in negotiating these performance measures?

We had a lot of discussions over an extended period of time over this. And really, the way they started and what drove all those discussions at every step was we sit back and we ask what is this program supposed to do? What is the ultimate goal of this program? Because part of this effort, we want to stress that program measures should capture the most important aspects of a program's missions and priorities. And they should focus on outcomes, which is the intended result that you're hoping to get from the program. Not on outputs, which is maybe an actual service that is being provided or produced. So, that was the basic logic that we kept in mind throughout in looking at that.

Next question: Can you explain the need for using ratios and the particular national measures that our work is being measured against to create these ratios? Why are these national measures better than other alternatives? Again, we had a lot of discussions on what to use and we looked at maybe limiting it to a state level or a grantee level, and in the end, the goal of this program is to enable individuals with developmental disabilities to be independent, self-sufficient and integrated into the community. And over time, we determined that the most logical way to approach that was on a national level.

What do these measures tell you about our program and its effectiveness? The measures should help look at the aggregated effect of these programs in assisting individuals with developmental disabilities.

The third question was, when will the next PART review of ADD programs be conducted? As I mentioned in the overview, the OMB's plan is to assess 100% of federal programs over five years. And by this calendar, each program should expect to be reassessed within five years. Our experience shows us that we need to have in-depth interchange with our grant funded programs over a period of time to fully understand what they do, its impact.

How can state programs have greater input into the PART assessment and the rating process? My advice to the grantees is that the best thing you can do is continue to work with ADD. They have a strategic plan in process which I know you all contribute to and for getting that information to them is important and they can take it into consideration. Similarly, initiatives that ADD is putting forward to work with them to try to see this through. Another thing, I think, as we move forward, that is such an important component of the PART in evaluating programs, is the extent that the data collection systems are quantifiable. Again, they're verifiable and they're uniform. We

can look across states and look across grantees and know that the information is able to be compared would be helpful.

And then the last question was, we feel that we are an effective program and want to provide opportunities for you to see what we do and its impact to the service system and, ultimately, our constituency. How can a state program show you what we do and its effectiveness? I just want to reiterate that the PART in and of itself does not say if the program is ineffective or not effective. Rather, it looks at program design, the planning mechanisms, management and data available. Work with ADD to make sure they have good, solid information and data and that's the pretty much the most important thing you can do to help demonstrate program effectiveness. Can I clarify anything for anybody?

Janet Eaton-CA: It's a question for ADD that follows up on one of the questions about how often can this be expected. Now that ADD has received the PART from you on a national basis, will they then be using this information to go to – as they do the individual state reviews – to say how we measure up as part of what was the total sum overview? Will that be used as the individual state reviews are done?

Answer: No. Well, I guess there is one point were it to go to the state reviews, we will be looking at data verification. That is part of the process. And we will be verifying data.

But I think her question was, are we going to judge each state?
Oh no. We're not going to make a PART for each state, no.

Joanne – OMB: And actually again, in thinking about the PART, the PART is assessing a program, it's almost seen as a snapshot in time. And so, it's meant to learn about the program and see how it's working. And we're trying to do it in a consistent way. But it by no means restricts a program and how it might grow or how it may work or interact with the grantees. It's an information source for us.

Commissioner Morrissey: We're redoing our MTARS right now and one of the elements of it, many of you know because you were part of working groups, is to look systematically at accountability within a state. And the basic things that we will use, the reference point, is the goals that you set and whether you're meeting them. So that's the most appropriate way of doing it because each state is unique and sets its own priorities based on input from people with DD and family members.

Faith - ADD: Are there any other questions or clarifications?

Judy McDonald- CA: I guess I'm wondering how did it turn for ADD? How did we all rate? Was it effective?

Joanne-OMB: The rating received was adequate. And this is where, some of the specific things we noted was there seems to be a clear purpose. There's definitely a

need for these programs that you all are targeting funding to address the greatest needs. So that was good. They've done a lot of work in terms of strategic planning and trying to reshape their measures to actually look at the ultimate outcome or goals of the program consistent with its mission. The area where, in terms of the PART, I would say they had the hardest time was they don't have data to back up the measures at this time. And also, as I said, they're working on an evaluation plan to look even beyond that program data. So those are the areas that they are working on.

Anna Lobosco-NY: I guess one of the questions I have is when will we be expected to start using the measures that you've negotiated?

What we've done is we've used the measures that they're now reporting to make up the measures that are PART measures. And so there's one measure we have to collect for the UCEDDs, one for efficiency that effects the programs. But we don't have a measure for efficiency yet, so those are two things we're working on. It's a case of, I think, some of the information has to change that we're reporting now and we have to figure out a way of giving everybody uniform guidance into what goes in a particular cell that they put on a PPR. Because right now, how something gets into that certain category is decided independently by each grantee.

Janet Eaton-CA: And even within what we report, there's a difference in how our grantee program sees something. So standardization is a big need. Can that be expected to be one of the topics of a day-long ethical systems that we're doing in June?

At this time, I can't give you a definite answer, but I think it would be a great time to have a conversation about it if it can happen on June 7th.

I think also, part of the answer to that question may come out of the MTARS reviews that we do that as we come out to you, we'll be discussing with you about getting your input as to where do these measures come from. Try to establish some kind of national sense of where we are now. And only then can we really talk about where we want to go.

Mary Beth – ADD: And Anna, you've helped us out with this – the group that has gotten together to look at the outcome measures has done some research on this and I've shared this with Faith, and we're currently looking at some of the things that are going into the quality assurance and formal/informal supports – to get them more standardized. So I think there is some process currently being done in looking at those and trying to develop those guidelines.

Ed Preneta-CT: Can we have a little further explanation of what the national independent evaluation will be about?

Commissioner Morrissey: Well right now, there are some general things that we can say. One is that we want to have a national picture as well as some state profiles. We want to truly capture the effect of grantee efforts on individuals with DD and their

families. I think we decided to focus on what happened from 1998 – 2003. And within that, we're going to look at where we know we have a long track record of effort. But we haven't finished drafting it yet. The goal is to tell a story about the complexity of and the variety in state approaches to assisting people with DD. One of the things that's totally against, not law, but sort of, is the role that grantees play in advocacy, capacity building and systems change over an extended period of time and the fact that they may influence others in the state to make things better, or they may hand something off to somebody else if they carry through. And we want to make sure that we capture fully these kinds of things. One of the things we talked about last week as a possible strategy for capturing state data would be to take an individual who has clearly had a positive change in their lives because of grantee efforts and track backwards. You know, like how did that come about and what was the contribution of the DD grantees in that process. And that would be one possible strategy for the state profile piece.

Well, actually, let me shed some light as to why. There are two measures, 4.1 and 4.2 that ADD is reaching to a small extent. But what happens over time is what may get lost in this whole process and that they do take more time than they think that this kind of system realizes.

Commissioner Morrissey: Right. And I think once you have that kind of language, then we'll be able to, when we get to cycle through the PART process again, we will be able to have a higher score and a richer picture of what grantees do. We're not going to use these to redo the PPRs. We are going to try to get some standards on data collection, do independent evaluations and will look at some of that information to get ideas and suggestions, but we want to augment what we already have and to capture, like I said, the long-term impact in grant program efforts. And clearly, remain focused on people with DD.

Susan Madison-NACDD: With no other questions, I just want to thank everybody for joining us and I want to remind those that don't know that there will be an OMB workshop with Joanne and others from ADD at the TA Institute in June. I believe it's slated for Monday at this point, on June 7th, at the TA Institute. So there will be another opportunity to dialogue with Joanne and ADD about the PART and these ideas that have come up.

Attachment 1 provided by ADD prior to the call

Program Assessment Rating Tool (PART)

One of the five initiatives on the President's Management Agenda is budget and performance integration. This initiative builds on the Government Performance and Results Act of 1993 (GPRA) and previous efforts to identify program goals and performance measures and to link them with the budget process. The FY 2003 President's Budget was the first to include explicit assessments of program performance.

GENERAL GUIDANCE: The Program Assessment Rating Tool (PART) is a series of questions designed to provide a consistent approach to rating programs across the Federal Government. The PART is a diagnostic tool that relies on objective data to inform evidence-based judgments to assess and evaluate programs across a wide range of issues related to performance. As an assessment of the program overall, the PART also examines factors that the program or agency may not directly control but which are within the influence of the program or agency. For example, if statutory provisions impede effectiveness, the agency can propose legislative changes. The questions are designed to reflect familiar concepts and incorporate existing practices managers and program examiners utilize to assess program performance. The formalization of performance evaluation through this process is intended to develop defensible and consistent ratings of programs for the FY 2004 Budget and beyond.

SECTIONS OF THE PART: Each PART is divided into four sections. Each section includes a series of questions designed to elicit specific information for the evaluation.

1. Program Purpose & Design to assess whether the program design and purpose are clear and defensible
2. Strategic Planning to assess whether the agency sets valid annual and long-term goals for the program
3. Program Management to rate agency management of the program, including financial oversight and program improvement efforts
4. Program Results to rate program performance on goals reviewed in the strategic planning section and through other evaluations

ADD was selected for the PART and initiated the process with OMB in April of 2003. ADD worked directly with OMB providing them with substantial information on the Developmental Disabilities Act of 2000 and specific information on each of the DD Act programs.

ADD worked closely with OMB to determine valid annual and long-term goals that met the needs of the PART and were readily available from the ADD programs through already determined outcome measures. OMB staff went to great lengths to assure that the integrity on ADD programs was maintained in the goals and measures selected.

Attachment 2 - Information sent from OMB prior to call:

Links to all PARTs and PART information:

<http://www.whitehouse.gov/omb/budget/fy2005/part.html>

Developmental Disability Grant Programs PART:

<http://www.whitehouse.gov/omb/budget/fy2005/pma/hhs.pdf>

PART

The Program Assessment Rating Tool (PART) was designed to be a systematic method of assessing performance of program activities that contribute to an agency's ability to achieve its strategic goals. It is used to assess program performance, to help link performance to budget decisions, and to make recommendations to improve results.

The PART consists of a standard series of questions that will be applied to all programs across the Federal government to enable a consistent approach to comparing programs. The tool is organized into four sections: (1) Program Purpose and Design, (2) Strategic Planning, (3) Program Management, and (4) Program Results/Accountability. For each section the agency must provide objective data or evidence across a range of issues related to performance. The PART also examines factors that the program or agency may not directly control but may be able to influence. For example, if statutory provisions impede effectiveness, the agency can propose legislative changes.