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before the

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**Expect More**

The President's 2006 budget set several major goals. The President proposed to hold growth in overall discretionary spending below the rate of inflation. He proposed an actual cut in the non-security portion of discretionary spending, the first such proposal since the Reagan administration. And he proposed major reductions or eliminations in 154 government programs that were not getting results or not fulfilling essential priorities. The Congress substantially delivered on those goals.

The 2007 budget follows a similar course. It again holds overall discretionary spending growth below the rate of inflation. It again proposes an actual cut in non-security discretionary spending. It also calls for major reductions in, or total eliminations of 141 Federal programs, saving nearly \$15 billion.

Reductions in these areas do not mean Americans should expect less from Federal agencies or programs. On the contrary, they should expect the government to give them more for their tax dollars. They should expect the government to become more effective and efficient each year.

**How We are Getting More for our Money**

With the help of the President's Management Agenda, Federal employees are doing more to improve the way we spend the taxpayers' money. We want to and can be held accountable for:

- Significantly, quantifiably and annually improving the way the government works.
- Being very candid and forthcoming at all times about where we're successful and where we fall short, and in both situations, what we're doing to improve performance.
- Providing better levels of service, comparable to the private sector.
- Properly accounting for where we spend the taxpayers' money.

As part of the President's Management Agenda, Federal employees have already eliminated \$7.8 billion in improper payments in Fiscal Year 2005, reducing the government-wide improper payment total by 17 percent. Agencies the past three years conducted competitive sourcing studies of their commercial activities that, upon implementation will produce savings of \$900 million per year. Agencies have completed an exhaustive inventory of real property assets and anticipate disposing of \$9 billion in unneeded assets by 2009. Almost 800 programs are implementing plans to improve their performance and have made them public so as to increase the level of their accountability for the results.

Common among these initiatives was a clear definition of success, an aggressive plan for improvement, unambiguous accountability; and then because leadership deemed success important, everyone involved was held responsible for doing what they said they were going to do. We were transparent about what we were trying to do and how we were performing relative to our goals. This transparency and candor produced strong accountability, which in turn, has produced results.

### **Program Assessments and the Federal Budget**

This year, the Administration assessed an additional 20 percent of the government's programs, marking the fourth year in our effort to find out what works, what doesn't, and what we need to do to improve. Program assessments are a factor in budgeting, but they are one among many factors. No budget decision is made automatically based on a program's rating. It may be that a highly rated program is not a priority for this Administration; therefore the President may propose to decrease funding for the program. A poorly rated program may need additional funds to address a weakness uncovered in the assessment. If we believe a program has been demonstrated to be ineffective and can't be fixed, or has outlived its usefulness, the Administration may recommend Congress spend the money on higher priority programs. The attached table shows the funding recommendation by program rating and by program.

## **The Federal Government Wants to be Held Accountable**

Americans deserve to have the government spend their hard earned tax dollars effectively, and better every year. The President, every member of Congress and all Federal employees need to be held accountable for getting results with the money they spend. A new OMB website, **ExpectMore.gov**, promotes accountability by posting candid information about programs that are successful and programs that fall short, and in both cases, what the government is doing to improve performance next year.

Currently, the ratings on **ExpectMore.gov** show that more than 70 percent of Federal programs are performing. A program which enhances highway safety provides a clear example of a program that demonstrates improved results. To reduce fatalities from automobile accidents, the National Highway Traffic Safety Administration promoted greater seat belt use among high-risk groups such as younger drivers, rural populations, pick-up truck occupants, 8–15 year-old passengers, occasional safety belt users, and motor vehicle occupants in states with secondary safety belt use laws. As a result, nationwide seat belt use increased from 73 percent in 2001 to 82 percent in 2005, an all-time high.

However, almost 30 percent of all programs are either ineffective or cannot demonstrate their success. A youth employment program created under the Workforce Investment Act demonstrates the need for improvement. The program awards grants for America's neediest youth to successfully transition to the workplace. The program is currently rated as ineffective. It does not provide services in a cost-effective manner and does not have authority to target or reallocate resources to areas of greatest need. To remedy this problem, the Administration is working with Congress to gain increased authority to reallocate resources to areas of need. The Administration has also proposed legislation to consolidate this program with other Department of Labor job training grants. This will reduce overhead, ensure that more funds go directly to participants, and give States the flexibility to design processes that best serve their citizens.

We hope that the transparency provided by **ExpectMore.gov** will make us even more accountable to the American people. By making program performance information readily available, we hope that Congressional and public attention can provide additional motivation and means for programs to improve their performance. **ExpectMore.gov** is not targeted to Democrats or Republicans, liberals or conservatives. Its audience is all Americans.

The message is simply that we want our citizens to expect more from their Federal government, and we want to be held accountable for how programs perform and how aggressively they improve. Of course, we do.

### **Our Future Commitments**

With the structure and discipline of the President's Management Agenda, Federal employees are committed, by 2015, to:

- Improving annual program efficiency by \$30 billion;
- Reducing annual improper payments by \$50 billion;
- Reducing annual commercial activity costs by \$6+ billion; and
- Disposing of \$15B of unneeded Federal real property assets.

The American people can and should expect the Executive Branch and Congress to make these commitments a reality.