

# THE PERFORMANCE BUDGET

## *Overview: Linking Resources to Foreign Affairs Outcomes*

The State Operations FY 2012 Congressional Budget Justification supports the achievement of the Department of State's Strategic Goals and U.S. foreign policy priorities. This budget request (CBJ Vol. 1), together with the Foreign Operations Congressional Budget Justification (CBJ Vol. 2), serves as the Department's FY 2012 Annual Performance Plan (APP) and FY 2010 Annual Performance Report (APR).

This budget justification (CBJ Vol. 1) includes a Performance Overview and Analysis chapter (Performance chapter) at the end of this volume that discusses the resources allocated and the progress made by the Department in achieving each of its seven strategic goals that support and carry out the President's foreign policy priorities. The performance section summarizes and analyzes relevant performance information from 66 indicators featured throughout the CBJ Vol. 1. More information on the Department's selection of these indicators is presented in the performance section. As the analysis and summary information shows, the Department is committed to ensuring the effective stewardship of public funds and to strategically aligning its resources to achieve U.S. foreign affairs priorities and outcomes.

Highlights from the Performance Overview and Analysis chapter include:

- The performance chapter presents the Department's FY 2012 budget request for State Operations for each strategic goal and priority.
- The largest proportions of the FY 2012 request support *Strategic Goal 1: Achieving Peace and Security* and *Strategic Goal 7: Strengthening Consular and Management Capabilities*, which together account for slightly over three-quarters of the Department's FY 2012 State Operations request.
- In FY 2009, the Department began a two-year transition to focus more on outcome-oriented indicators that provide meaningful information both to measure the impact of its work and to share with its stakeholders. Through continual assessment of these outcome-oriented indicators, the Department reports that in FY 2010 it met or exceeded targets for 41 percent of indicators for which ratings are currently available. The Performance chapter presents the Department's performance data over the past three years and the current performance targets and ratings for each strategic goal.

## *Performance Trends and Analysis*

Within this budget justification, performance and budget trends are analyzed for the seven strategic goals and 39 strategic priorities outlined in the Department's strategic plan. The Performance chapter presents representative indicators for the five strategic goals that represent the majority of the State Operations budget. *Strategic Goal 3: Investing in People* and *Strategic Goal 5: Providing Humanitarian Assistance* are mainly supported by Foreign Assistance funding and are addressed in the Foreign Operations volume of the CBJ. For further information on the FY 2007-2012 Department of State and USAID Strategic Plan, please go to: <http://www.state.gov/s/d/rm/rls/dosstrat/2007>.

While the performance chapter summarizes performance results and targets for 66 performance indicators, it also provides more in-depth analysis on 10 illustrative indicators that link directly to major budget or policy priorities. Through the illustrative indicators, the Department seeks to present a more informative view of the outcomes it expects to achieve in promoting global security and prosperity. Key performance trends analyzed further within the Performance chapter include:

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- In the FY 2012 request, the Department allocates the majority of its *Strategic Goal 1: Achieving Peace and Security* resources toward Conflict Prevention (73 percent) and Security Cooperation and Security Sector Reform (8 percent). The performance section examines trends in performance ratings for peacekeeping in Africa and Near East Asia as well as efforts to increase reconstruction and stabilization deployments to conflict zones.
- Advancing and protecting human rights, promoting the rule of law, and encouraging the development of democratic and responsive institutions are key long-term foreign policy objectives in *Strategic Goal 2: Governing Justly and Democratically*. The performance section assesses the level of freedom of individual speech and expression as well as freedom of the press in non-democratic countries and countries in transition.
- Under *Strategic Goal 4: Promoting Economic Growth and Prosperity*, economic diplomacy supports U.S. energy security, global competitiveness, and international cooperation on the environment. Illustrative indicators analyzed within the performance section indicate that the level of non-petroleum global energy use in FY 2010 remained at a constant level from FY 2009. The second illustrative indicator, the level of trade between the United States and sub-Saharan Africa, declined in FY 2009, the most recent year for which data is available.
- Under *Strategic Goal 6: Promoting International Understanding*, trend data for the illustrative indicators show that participants in U.S. Government-sponsored educational and cultural exchange programs report a change in their understanding and knowledge of the United States as a result of their participation. The outcome data underscores the importance of maintaining and leveraging an active alumni network of exchange participants to further promote international understanding.
- In the FY 2012 request, the Department allocates the greatest portion of its *Strategic Goal 7: Strengthening Consular and Management Capabilities* resources toward Facilities (34 percent) and Security (28 percent). The illustrative indicators show a sharp increase in the percentage of visa applications that are processed electronically. An increase is also seen in the number of U.S. Government personnel moved to more secure facilities worldwide in FY 2010.

### ***U.S. Department of State and USAID High Priority Performance Goals***

The Department of State and USAID have developed a strategic approach to accomplishing their shared mission, focusing on robust diplomacy and development as central components to solving global problems. In FY 2011, the Department of State and USAID selected eight outcome-focused high priority performance goals (HPPGs) that reflected the Secretary’s and USAID Administrator’s highest priorities. These goals reflect the agencies’ strategic priorities and will continue to be of particular focus for the two agencies through FY 2012. The table below lists each HPPG by Strategic Goal.

#### ***At-A-Glance: High Priority Performance Goals (HPPGs)***

Strategic Goal	FY 2011 High Priority Performance Goal
Achieving Peace and Security	<ul style="list-style-type: none"> <li>• The <b>Afghanistan and Pakistan</b> priority goal is articulated in the Stabilization Strategy, February 2010. For more information, go to <a href="http://www.state.gov/documents/organization/135728.pdf">www.state.gov/documents/organization/135728.pdf</a></li> <li>• The <b>Iraq</b> priority goal is: A Sovereign, Stable, and Self-Reliant Iraq.</li> <li>• The <b>Global Security – Nuclear Nonproliferation</b> priority goal is: Improve global controls to prevent the spread of nuclear weapons and enable the secure, peaceful use of nuclear energy.</li> </ul>
Governing Justly and	<ul style="list-style-type: none"> <li>• The <b>Democracy, Good Governance, and Human Rights</b> priority goal is: Promote greater adherence to universal standards of human rights, strengthen democratic institutions, and facilitate accountable governance through diplomacy and assistance, by</li> </ul>

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Strategic Goal	FY 2011 High Priority Performance Goal
Democratically	supporting activists in 14 authoritarian and closed societies and by providing training assistance to 120,000 civil society and government officials in 23 priority emerging and consolidating democracies between October 1, 2009 and September 30, 2011.
Investing in People	<ul style="list-style-type: none"> <li>The <b>Global Health</b> priority goal is: By 2011, countries receiving health assistance will better address priority health needs of women and children, with progress measured by USG and UNICEF-collected data and indicators. Longer term, by 2015, the Global Health Initiative aims to reduce mortality of mothers and children under five, saving millions of lives; avert millions of unintended pregnancies; prevent millions of new HIV infections; and eliminate some neglected tropical diseases.</li> </ul>
Promoting Economic Growth and Prosperity	<ul style="list-style-type: none"> <li>The <b>Climate Change</b> priority goal is: By the end of 2011, U.S. assistance will have supported the establishment of at least 12 work programs to support the development of Low Emission Development Strategies (LEDS) that contain concrete actions. This effort will lay the groundwork for at least 20 completed LEDS by the end of 2013 and meaningful reductions in national emissions trajectories through 2020.</li> <li>The <b>Food Security</b> priority goal is: By 2011, up to five countries will demonstrate the necessary political commitment and implementation capacities to effectively launch implementation of comprehensive food security plans that will track progress towards the country's Millennium Development Goal (MDG1) to halve poverty and hunger by 2015.</li> </ul>
Strengthening Consular and Management Capabilities	<ul style="list-style-type: none"> <li>The <b>Management – Building Civilian Capacity</b> priority goal is: Strengthen the civilian capacity of the State Department and USAID to conduct diplomacy and development activities in support of the Nation's foreign policy goals by strategic management of personnel, effective skills training, and targeted hiring.</li> </ul>

### *Evaluations of Diplomatic, Management, and Consular Programs*

The Department of State recognizes that comprehensive program evaluation and performance management are essential in achieving foreign policy objectives. Nuclear proliferation, climate change, global pandemics and terrorism are some of the perennial, complex issues the United States faces. Program evaluations determine the effectiveness and impact of efforts to influence or mitigate some of the most significant challenges facing the United States while leading to more informed strategic and budgetary decisions.

In the fall of 2010, the Department implemented a new Program Evaluation Policy which supports the White House's initiative to increase transparency and improve government performance and accountability. The policy sets forth the foundation for a coordinated and robust evaluation function and provides the framework for the ongoing and systematic analysis of programs and projects. Together with tools developed to help design and implement quality evaluations, this policy advances the Department's efforts to build capacity in assessing program impact, learn and share information about effective practices in its programs, and provide solid evidence for policy and planning decisions. Details on evaluations conducted in FY 2010 at the Department of State are highlighted in the Performance Overview and Analysis chapter.