

PART 2006 - MANAGEMENT

Subpart I - Strategic Planning and Accountability

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Exhibit A - Rural Development Document of Performance Indicators

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PART 2006 - MANAGEMENT

Subpart I - Strategic Planning and Accountability

§ 2006.401 Purpose.

This instruction provides Rural Development's policy and procedures on strategic planning and accountability. It is applicable to all agencies and staff offices within the Rural Development Mission Area. It identifies actions to be taken, who is responsible for completing those actions, and when those actions are to be completed.

§ 2006.402 General.

(a) Planning. Planning is required to ensure that the Rural Development agencies acquire and allocate resources to support their mission, accomplish their goals, address local, state, and national priorities, and contribute to the overall accomplishment of the United States Department of Agriculture (USDA) mission. Planning is conducted in cooperation with the Department, other partners, and stakeholders to the maximum extent consistent with laws and rules governing Federal activities.

(b) Activities. Primary organizational planning activities include strategic, performance, and business planning. Plans are developed using the assessments of resource conditions and driving forces in the social, economic, environmental, customer needs and expectations, and the workforce areas required to achieve levels of performance. These activities are not undertaken in isolation, but as part of an integrated process to ensure that resources are directed toward achieving priority social, economic, and environmental results.

(c) Strategic plan. The strategic plan articulates the fundamental mission and long-term goals and objectives for the Mission Area, and identifies specific strategies and performance targets to achieve these goals. The strategic plan serves as a blueprint for performance and business plans created at all levels of the Rural Development Mission Area.

(d) Annual performance plan. The annual performance plan identifies national performance goals for each performance goal identified in the strategic plan.

Distribution: WSDC

Administration
Management

§ 2006.403 Authorities.

This policy is based on, and addresses, the following authorities:

- (a) Government Performance and Results Act (GPRA) of 1993.
- (b) Federal Agricultural Improvement and Reform Act of 1996 (FAIR Act)

§ 2006.404 - 2006.410 [Reserved]

§ 2006.411 Roles and responsibilities.

- (a) The Under Secretary for Rural Development is responsible for:
 - (1) Establishing the goals, objectives, and strategies for the Mission Area.
 - (2) Implementing the Mission Area strategic plan.
 - (3) Ensuring a Mission Area performance plan is developed each fiscal year coinciding with annual budget levels.
 - (4) Reporting on the Mission Area's achievements at the end of the fiscal year.
- (b) Agency Administrators, Deputy/Assistant Administrators are responsible for:
 - (1) Participating in the identification of national issues and concerns; formulation of national goals; and development of objectives and strategies to achieve those goals.
 - (2) Implementing the policies and program strategies to ensure the goals of the strategic plan are met.
 - (3) Ensuring that Mission Area strategic plan goals and targets, and associated policies, are communicated clearly to employees and partners at the national level.
 - (4) Developing annual performance plans for their programs and/or functions.
 - (5) Aligning any performance goals in the annual performance plan with the performance goals developed for the states or subordinate units.

§ 2006.411(b) (Con.)

- (6) Reporting on the achievements of their programs and/or functions at the end of each fiscal year.
 - (7) Attesting to the accuracy of data under their control regarding annual accomplishments.
- (c) The Rural Development Chief Financial Officer is responsible for attesting to the accuracy of data on financial and management reports provided to the agencies by the Finance Office.
- (d) State Directors are responsible for:
- (1) Implementing the policies and program strategies to ensure the goals of the strategic plan are met.
 - (2) Development of state strategic plans as required by the FAIR Act.
 - (3) Encouraging and supporting collaborative efforts with other Federal, state, and local partners to gather information, identify state resource issues and concerns, and develop strategies to address those concerns.
 - (4) Ensuring that Rural Development staff within each state have access to the skills, information, and procedures needed to support the partnership in conducting environmental surveys, identifying issues and concerns, and developing strategies to address those concerns.
 - (5) Ensuring that agency strategic plan goals and targets and associated policy are communicated clearly to employees and partners within the state.
 - (6) Implementing strategic plan goals and objectives.
 - (7) Attesting to the sufficiency of data input by state employees into databases utilized for reporting purposes.
- (e) Rural Development Managers and Community Development Managers (or other employees responsible for local management of Rural Development resources) are responsible for:
- (1) Encouraging and participating with partners and stakeholders in a locally led process to assess resource information and identify high priority concerns and objectives.

RD Instruction 2006-I
§ 2006.411(c) (Con.)

(2) Delivering Rural Development programs in a manner that supports the goals and strategies of the Mission Area strategic plan.

(3) Ensuring correct data is available for the purpose of performance reporting by ensuring that accurate and timely data is provided through the Mission Area automated systems or manual reports.

§ 2006.412 - 2006.415 [Reserved]

§ 2006.416 Strategic planning.

(a) Strategic planning is a continuous process by which Rural Development envisions its future and identifies the necessary goals and objectives to achieve that future.

(b) A strategic plan identifies the fundamental mission of the Mission Area and its' agencies and lays out long-term goals for achieving that mission, including strategies to reach these goals.

(c) A strategic plan serves as a blueprint for an agencies budget formulation, and becomes the foundation for resource allocation, performance planning, business plans, and performance measurement. A strategic plan provides the criteria for making day-to-day and long-term organizational decisions, and provides a template against which decisions can be evaluated.

(d) The Rural Development Mission Area will have one national strategic plan, which sets the direction and establishes goals and strategies for the agencies.

(e) Annual performance plans support the Rural Development Mission Area strategic planning goals, objectives, and targets.

(f) The development of strategic plans at the state level will meet the requirements of the FAIR Act. State strategic plans will support the Mission Area strategic plan and provide clear linkages to the Mission Area strategic goals and objectives.

(g) Strategic planning will be conducted in consultation with the Mission Area's stakeholders, including local, state, and Federal agencies with agricultural or other rural development interests and responsibilities; Native Americans; Congress; other agencies of the Department of Agriculture; non-governmental entities with rural development interests; and others as appropriate.

§ 2006.417 Content of the mission area strategic plan.

(a) The mission area's strategic plan is a component of the Department of Agriculture strategic plan, which is submitted to the Office of Management and Budget (OMB) and to Congress. Its contents are prescribed by the Government Performance and Results Act of 1993 and guidance issued by the OMB. The Department of Agriculture's Chief Financial Officer issues additional guidance on the format of the strategic plan. Required elements of the plan include:

- (1) A comprehensive mission statement.
- (2) General goals and objectives that establish the direction and destination of an agency for a given time period, covering all major functions and operations of the agency.
- (3) Performance targets and strategies for achieving the general goals, considering the operational processes, skills and technology, human capital information, and other required resources.
- (4) The relationship of the strategic goals to the performance goals in the annual performance plan that accompanies agency budget requests.
- (5) Key factors outside the agency that could affect achievement of goals.
- (6) A description of program evaluations used to set general goals and a schedule of future evaluations.

(b) Rural Development Mission Area strategic goals and objectives will be defined to permit objective determination of progress toward the goal. The goal for a specific concern will normally be stated in terms of a single national goal.

§ 2006.418 Timeline for strategic planning.

(a) GPRA requires the strategic plan to cover a period of not less than 5 years forward from the fiscal year in which it is produced and to be updated and revised at least every three years. Rural Development's first strategic plan, developed in compliance with GPRA, was published in October 1997 and covered the period of 1997-2002. This plan set the timeline for the development or revision of future plans.

(b) The USDA Chief Financial Officer has been authorized to establish Department-wide guidance for strategic plan schedules and products.

§ 2006.419 Performance planning.

(a) Performance planning links the mission area's mission and strategic plan goals with the tasks performed by mission area agency personnel on a day-to-day basis. The process converts the strategic goals into measurable annual priorities and targets that guide the allocation of staff and financial resources.

(b) GPRA requires the development of a performance plan each year articulating the accomplishments to be achieved during the fiscal year. The annual performance plan supports and is submitted with the budget.

(c) Annual performance plans, when funded through the annual budget process, become a contract between the Rural Development agencies, the Administration, and Congress, establishing the extent and quality of services the agency is committed to deliver.

(d) The performance plan will contain measurable annual performance targets, called performance goals and indicators, which will result in accomplishing the long-term goals identified in the strategic plan.

(e) The Mission Area's annual performance plans will contain objective, quantifiable, and measurable goals for identified performance measures.

(f) The Rural Development Mission Area will have one annual performance plan at the national level. The budget request to the President and Congress will be based on performance goals and indicators defined in the mission area's performance plan.

(g) Managers at all organizational levels will be held accountable for accomplishing their assigned share of agency performance goals.

§ 2006.420 Content of the annual performance plan.

(a) The Mission Area's annual performance plan is prepared in accordance with instructions issued by the Office of Management and Budget and supplemental guidance from the Department of Agriculture's Chief Financial Officer and/or Office of Budget and Program Analysis. It is submitted with the mission area's budget request to the Office of Management and Budget and may be submitted to Congress.

(b) The annual performance plan will include the following:

(1) Performance goals for the fiscal year to include, but not limited to, mission-related outcome or output goals; effectiveness goals; and efficiency goals.

Outcome performance goals measure the impact of the program or activity on the recipient. Output performance goals measure the number of products, i.e., loans or grants, produced.

(2) Means and strategies for achieving the goals, including a brief description of the operational processes, skills, technology, and human capital information, or other resources that will be needed to meet the performance goals.

(3) Verification and validation, including a description of the means to be used to verify and validate measured values.

§ 2006.421 - 2006.430 [Reserved]

§ 2006.431 Developing and documenting performance goals.

(a) Performance goals are target levels of performance expressed as a tangible, measurable objective against which actual achievement can be compared.

(b) Performance goals must clearly support one or more goal in the strategic plan.

(c) Performance goals should be outcome-based whenever possible.

(d) Performance goals should be limited in number to those that most clearly measure the mission area's success in meeting the purpose of the program or activity. A test of the value of a performance goal is whether it is routinely used by senior management officials in their management of the program.

(e) Performance goals must be established for major management challenges identified by the Office of Inspector General or the General Accounting Office.

(f) Program and administrative managers will prepare Exhibit 1 to document the linkage of their performance goals and indicators to the mission area's strategic plan and to document the source of the data used for verification and validation.

§ 2006.432 Timeline for agency performance plan.

The following chart provides the general deadlines for preparation of the accomplishing the activities in the performance plan process:

Activity	Who	Begin Date	End Date
1. Review agency strategic goals and identify priorities for the Current Year (CY) +2 budget request.	Administrators, Deputy/Assistant Administrators	March 1	April 1
2. Identify performance goals for the CY+2 budget request and develop supporting text.	Deputy/Assistant Administrators	April 1	April 30
3. Prepare agency performance plan to accompany CY+2 budget request.	Deputy/Assistant Administrators	May 1	June 30
4. Revise CY+2 performance plan and goals to reflect the USDA Secretary's funding decisions.	Deputy/Assistant Administrators	August 1	September 15
5. Adjust CY performance goals to reflect Congressional action on the budget.	Deputy/Assistant Administrators	October 1	December 31
6. Finalize performance goals for the CY+1 (previously +2) performance plan to reflect the President's decisions on funding.	Deputy/Assistant Administrators	December 1	December 15

§ 2006.433 Performance reporting.

- (a) All Federal departments are required by GPRA to submit a performance report to the President and the Congress annually.
- (b) The annual performance report is an evaluation of actual accomplishments compared to planned activities set forth in the previous year performance plan.
- (c) The Rural Development Mission Area will submit to the Secretary and the President its' annual performance report each year, and depending upon Departmental guidance, to the Congress. It will also be available to public.

§ 2006.434 Content of the annual performance report.

The annual performance report, prepared using the guidelines of GPRA, will include:

- (a) A comparison of actual and planned performance.
- (b) A brief description of the Mission Area's success in meeting its goals.
- (c) An evaluation of the performance plan for the current fiscal year relative to the performance in the year covered by the report.
- (d) Identification of any performance goal that was not met, with an explanation why and a description of the plan to meet the goal in the future, or why the goal has become impractical.
- (e) A summary of the findings of any program evaluations completed during the year.
- (f) Data on performance for the preceding 3 fiscal years.

§ 2006.435 Documenting, verifying, and validating performance.

- (a) Managers are responsible for documenting and reporting their performance.
- (b) Internal controls, such as edit checks or second-party reviews, should be established for data used in the annual performance report.

RD Instruction 2006-I
§ 2006.435 (Con.)

(c) After the data is collected, it should be reviewed and checked to verify that it is accurate.

(d) Documentation supporting the verification and validation effort should be retained for three years.

§ 2006.436 - 2006.440 [Reserved]

§ 2006.441 Timeline for agency and state annual performance reports.

The following chart provides general deadlines for accomplishing the activities in producing the annual performance report.

Activity	Who	Start Date	End Date
1. State Director submits State Office accomplishments for each performance goal and indicator in the previous years State Annual Performance Plan.	State Director	October 1	October 20
2. Determine the accomplishments for each performance goal and indicator in the previous fiscal year's performance plan.	Deputy/Assistant Administrators	October 1	November 15
3. Verify and validate the data gathered in Activity 1 and analyze the results.	Deputy/Assistant Administrators	November 15	December 31
4. Finalize the annual performance report for the previous fiscal year.	Deputy/Assistant Administrators	January 1	January 31

2006.442 - 2006.450 [Reserved]

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RURAL DEVELOPMENT
DOCUMENTATION OF PERFORMANCE INDICATORS

Agency:

Program:

Rural Development Goal in the Strategic Plan Supported:

Rural Development Strategic Objective Supported:

Annual Performance Plan Performance Goal:

What is the performance goal's relationship to the strategic goal?

Annual Performance Plan Performance Indicator:

What is the performance indicator's relationship to the strategic plan performance goal?

How, specifically, is the value of the performance indicator determined?

How, specifically, is the value of the performance indicator verified?

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