



Functional Bureau Strategy

Bureau of Budget and Planning

FOR PUBLIC RELEASE

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1. Executive Statement

The Bureau of Budget and Planning (BP) provides the Secretary of State and Department leadership with analysis and recommendations to ensure programs, policies, initiatives, and operations are adequately resourced and aligned to support U.S. government foreign policy priorities. The bureau administers the Department of State's budget formulation and execution activities for Diplomatic Engagement Appropriations, and provides oversight of the Department's strategic planning and performance management initiatives.

The mission of BP is to "effectively justify and manage the Department of State's resources by delivering timely, accurate, and actionable information and advocate for the Department to receive adequate resources to fund programs, projects, and activities to meet its mission." BP also oversees the development of internal Department performance and budgetary systems that support Diplomatic Engagement resources, such as the Planning and Performance System (PPS) and the Budget Formulation and Execution Module (BFEM). The BP Director is also the Department's Performance Improvement Officer (PIO). The PIO is responsible for reporting to OMB and the general public on the Department's progress towards meeting its goals. The PIO promotes promising practices and policies enterprise-wide to achieve improved Department results.

The Functional Bureau Strategy (FBS) for BP includes four strategic goals and eleven objectives that guide bureau priorities through 2022.

- Strategic Goal 1: Provide Department leadership, OMB, and Congress with authoritative products and processes that advance the Department's strategic priorities and are informed by data analysis, compliant with applicable federal directives, and responsive to stakeholders needs.
- Strategic Goal 2: Allocate resources in accordance with legislative mandates and financial guidance and regulations and with adherence to internal and external controls.
- Strategic Goal 3: Integrate planning, budgeting, managing, and learning and leverage best practices to achieve optimal results in advancing the Department's mission.
- Strategic Goal 4: Ensure BP is effective, efficient, and accountable through sustained human capital development, product and process improvement, and modernized, mission-capable information technology.

BP routinely reviews the bureau's goals and objectives to measure performance and maximize results. The BP Director chairs Quarterly Strategy Reviews (QSR), in which bureau managing directors, division directors, and analysts review performance indicators and milestones, report on results, discuss risks to achieving BP's goals and objectives, and make recommendations for improving performance and maximizing resources. The final QSR is an all-hands meeting at which performance results for the fiscal year are discussed. Weekly budget and legislative review, funds control, management, and performance and planning meetings also provide opportunities for addressing risks to achieving the bureau's mission.

2. Bureau Strategic Framework

Strategy Outline

Goal 1 Provide Department leadership, OMB, and Congress with authoritative products and processes that advance the Department's strategic priorities and are informed by data analysis, compliant with applicable federal directives, and responsive to stakeholders needs.

Objective 1.1 Facilitate the Department's budgetary decisions by using data analysis to inform resource recommendations on strategic priorities.

Objective 1.2 Submit defensible resource requests to OMB using data-driven analysis that reflects the Department's strategic priorities.

Objective 1.3 Articulate and justify the Department's budgetary priorities to Congress and other external stakeholders.

Goal 2 Allocate resources in accordance with legislative mandates and financial guidance and regulations and with adherence to internal and external controls.

Objective 2.1 Develop resource allocations based on relevant, accurate, and timely financial analysis and the Department's strategic priorities.

Objective 2.2 Execute all funds in accordance with applicable legal authorities, policies, and guidance.

Goal 3 Integrate planning, budgeting, managing, and learning and leverage best practices to achieve optimal results in advancing the Department's mission.

Objective 3.1 Institute planning throughout the Department by providing support and fostering engagement in the development and implementation of agency, bureau, and mission strategies.

Objective 3.2 Institute a culture of performance management to inform decision-making, foster adaptive change, and measure and articulate progress against strategies.

Objective 3.3 Enhance BP's planning, budgeting, managing, and learning for programmatic and budgetary decisions by creating and reinforcing feedback loops between these processes.

Management Goal 1 Ensure BP is effective, efficient, and accountable through sustained human capital development, product and process improvement, and modernized, mission-capable information technology.

Management Objective 1.1 Improve organizational effectiveness and support staff retention by identifying and promoting opportunities for employees' professional growth.

Management Objective 1.2 Provide better customer service internally and externally by strengthening the quality of BP's policies, products, and processes through continuous review and analysis.

Management Objective 1.3 Enhance BP decision-making through access to data and modernized, mission-capable information technology.

3. Goals and Objectives

Bureau Goal 1 Provide Department leadership, OMB, and Congress with authoritative products and processes that advance the Department’s strategic priorities and are informed by data analysis, compliant with applicable federal directives, and responsive to stakeholders needs.

Description and Linkages

BP’s primary mission is to assist Department leadership in overseeing the preparation of the Diplomatic Engagement budget request ([4 FAM 100](#)). BP evaluates the effectiveness of agency programs, policies and procedures; assesses competing funding demands among bureaus; and recommends funding priorities. Budget formulation is composed of a series of activities involving several steps, including increasing the reliance on data to validate assumptions. The main goals of the formulation process are to ensure that bureaus and offices clearly identify their needs and that funds requested in the budget contribute to fulfilling the Department’s mission.

BP’s work on Goal 1 is linked to the Department of State/USAID Joint Strategic Plan Goal 4: “Ensure effectiveness and accountability to the American taxpayer,” and is guided by the Government Performance and Results Act Modernization Act of 2010 (GPRAMA) and the Office of Management and Budget (OMB) Circular A-11, as well as annual appropriations legislation. BP refers to OMB Circular A-11 in crafting each fiscal year’s MRR and BRR guidance materials to the missions and bureaus. BP also employs OMB Circular A-11 in formulating the Department’s OMB Submission and the final President’s Budget Request. For example, BP uses the domestic pay and inflationary economic assumptions outlined in Circular A-11 for the current services calculations in each bureau’s BRR. Further, Congress provides direction through annual appropriations legislation and policy guidance.

Bureau Objective 1.1 Facilitate the Department’s budgetary decisions by using data analysis to inform resource recommendations on strategic priorities.

Justification

Budget formulation includes activities associated with determining priorities for future spending and developing an itemized forecast of future funding and expenditures during a targeted period of time.

The Mission Resource Request (MRR) is the first step in the U.S. Department of State and the U.S. Agency for International Development (USAID) budget formulation processes. In the MRR, each mission explains and justifies the resources required to achieve its highest foreign policy and management objectives. The Bureau Resource Request (BRR) is a process by which regional and functional bureaus assess and justify their annual resource needs. The information presented in the BRRs is derived in part from the information presented in the MRRs.

BP will continue to provide funding recommendations for programs and activities taking into account return on workforce analyses, current or anticipated program outcomes, strategic plans, information on program monitoring, and evidence of program successes documented in the annual BRR.

Bureau Objective 1.2 Submit resource requests to OMB that reflect the Department's strategic priorities and are defensible using data-driven analysis.

Justification

BP provides guidance to stakeholders based on federal directives, including OMB Circular A-11, appropriations law, and the Department's fiscal authorities. OMB also provides bulletins, circulars, memoranda, privacy guidance, reports, and other documents that inform a range of budget and management policies. BP must keep current with all OMB guidance materials, and apply them to the Department's internal processes. In addition BP uses enterprise management data to support budget requests at every stage of the formulation process.

Bureau Objective 1.3 Articulate and justify the Department's budgetary priorities to Congress and other external stakeholders.

Justification

BP will manage the submission of Diplomatic Engagement Operating Plans to Congress in accordance with OMB standards (Circular A-11, Part 2, Section 52) and the requirements outlined in annual appropriations legislation, in coordination with the Bureau of Legislative Affairs. Operating Plans set forth the specific amounts of money and other appropriated resources that will be used by operating components of the Agency and the purposes for which the resources will be used. The Operating Plan is the beginning of the budget execution process (see Sub-Objective 2.1.1). Financial Plans compare the amount of funds budgeted versus funds authorized and executed.

BP advocates for the Diplomatic Engagement budget. This includes articulating Agency policies and strategies through a variety of means, including timely addressing of

questions from Congressional staff as well as formal “Questions for the Record” (QFR) from Members of Congress; and timely submission of initial operating plans for Diplomatic Engagement funds, which provide the linkage between the policies, strategies, and significant proposed changes, if any, from current policies embodied in planned execution of funds. Advocacy efforts may also address the most important program performance indicators and performance goals.

Bureau Goal 2 Allocate resources in accordance with legislative mandates and financial guidance and regulations and with adherence to internal and external controls.

Description and Linkages

Budget execution involves legal and managerial procedures for allocating and distributing available budgetary resources in accordance with the law and established policy. Budget execution activities include but are not limited to: operating plans, apportionments; allotments; reprogramming actions; and funds control. OMB Circular A–11, Part 4, provides instructions on budget execution, including guidance on the apportionment and reapportionment process as well as a report on budget execution and budgetary resources.

BP’s work on Goal 2 is linked to the Department of State/USAID Joint Strategic Plan Goal 4, “Ensure Effectiveness and Accountability to the American Taxpayer”.

Bureau Objective 2.1 Develop resource allocations based on relevant, accurate, and timely financial analysis and the Department’s strategic priorities.

Justification

As highlighted in OMB Circular A-11, 31 U.S.C. 1511–1514 requires that apportionments or reapportionments be reviewed at least 4 times a year by the officials controlling the apportionments. This allows for the monitoring of the status of funds that were apportioned; helps program, budget, and accounting staffs to communicate; and provides historical reference that can be used to help prepare the State Operations budget, program operating plans, and spend-out rate estimates. Regular reviews provide a basis to determine obligation patterns when programs are required to operate under a continuing resolution, and help tie the Agency's financial statements to budget execution. BP manages the diplomatic engagement operating plans required from annual appropriations and makes resource allocation recommendations based on total availability of appropriated resources, transfers, and carryforward.

Bureau Objective 2.2 Execute all funds in accordance with applicable legal authorities, policies, and guidance.

Justification

The Antideficiency Act requires that agencies prescribe, by regulation, a system of administrative control of funds. The purpose of the fund control system is to monitor both obligations and expenditures (also known as outlays or disbursements) from each appropriation or fund account. It also enables BP to identify the office responsible for any obligation or expenditure exceeding the amount available in the appropriation or fund account, the OMB apportionment or reappportionment, the allotment or sub-allotments, any statutory limitations, and any other administrative subdivision of funds.

Bureau Goal 3 Integrate planning, budgeting, managing, and learning and leverage best practices to achieve optimal results in advancing the Department's mission.

Description and Linkages

The Government Performance and Results Act (GPRA Public Law 103-62) and the follow-on GPRA Modernization Act 2010 (Public Law 111-352) require agencies to set long-term goals and objectives as well as specific, near-term performance goals. Agency leaders at all levels of the organization are accountable for choosing goals and indicators wisely and for setting ambitious, yet realistic targets. To successfully deliver services to the public in a cost-effective way, BP must lead a performance culture where both leaders and staff constantly ask and try to answer, questions that help them find, sustain, and spread promising practices and policies.

Program management practices are driven by legislation such as the GPRA Modernization Act 2010, Foreign Aid Transparency and Accountability Act (FATAA, PL 114-191.), and the Program Management Improvement and Accountability Act (PMIAA, PL 114-264). These laws institute best practices in planning and performance management. BP goes one step further in requesting budget requests link resources to desired results and is working on implementing performance management plans for major ongoing programs and projects.

BP endeavors to increase capacity in planning and performance management by providing stronger technical assistance, improved training opportunities, effective planning and management tools, flexible procurement mechanisms, and a Bureau designation of at least one employee dedicated to coordinating bureau strategic planning, performance management, and monitoring and evaluation.

BP uses the Managing for Results (MfR) framework to describe the integration of planning, budgeting, managing, and learning and promote best practices in the areas.

Bureau Objective 3.1 Institute planning throughout the Department by providing support and fostering engagement in the development and implementation of agency, bureau, and mission strategies.

Justification

The Department's strategic planning takes place at several levels. At the agency level the State Department and USAID 2018-2022 Joint Strategic Plan (JSP) outlines overarching goals and objectives, and guides bureau and mission planning. Joint Regional and Functional Bureau Strategies guide priority setting and resource allocation at the regional and functional bureau level. Country-specific strategies, known as Integrated Country Strategies (ICS), guide whole-of-government strategic priorities within a given country, with input from all members of a mission's country team. Additionally, strategic plans may represent enterprise-wide topics or issues, including information technology or human resources, which need to be accounted for and considered as other Department plans are being drafted and implemented. 18 FAM 301.2 requires bureau and mission leadership to submit a strategy according to a schedule managed by BP, in collaboration with the Office of U.S. Foreign Assistance Resources (F). BP and F develop drafting guidance, set timelines, and review submitted plans for consistency with this guidance.

Bureau Objective 3.2 Institute a culture of performance management to inform decision-making, foster adaptive change, and measure and articulate progress against strategies.

Justification

The Director of BP serves as the Department's Performance Improvement Officer (PIO). The PIO is responsible for promoting performance management through various initiatives and overseeing various mandated performance reports for the Department. BP is committed to institutionalizing performance management throughout the Department through the utilization of sound program and project designs, and performance management plans. BP seeks to have evaluations, research, and performance data inform decision-making, foster adaptive change, and help measure and articulate progress against strategies. One of the primary mechanisms for moving the Department closer to this goal is the implementation of 18FAM300, which BP oversees, in collaboration with the Office of U.S. Foreign Assistance Resources (F).

BP continues to partner with F and others to help build a cadre of professionals skilled in performance management, and ensure resources are positioned efficiently and

effectively within bureaus to use performance data to inform decisions. In 2018 and beyond BP will work toward improving the Department's ability to assess progress towards strategic and programmatic priorities by implementing annual bureau and mission strategic reviews.

Bureau Objective 3.3 Enhance BP's planning, budgeting, managing, and learning for programmatic and budgetary decisions by creating and reinforcing feedback loops between these processes.

Justification

BP continues to model promising practices in planning, budgeting, managing, and learning such as conducting quarterly reviews of BP's FBS, using data to assess performance and justify funding requests. During the next planning period, BP will establish performance management plans for its major programs and projects and will identify potential areas for enhanced integration.

4. Cross-cutting Management Goals and Objectives

Management Goal 1 Ensure BP is effective, efficient, and accountable through sustained human capital development, product and process improvement, and modernized, mission-capable information technology.

Description and Linkages

Developing clear, consistent business practices for BP is vital to providing stakeholders and staff with the right knowledge, skills, abilities, and tools. A systematic approach to business process improvement and capacity building improves BP's ability to make smarter resource choices that deliver results and serve as model for professional development in the Department.

BP's work on Management Goal 1 is linked to the Department of State/USAID Joint Strategic Plan Goal 4, "Ensure Effectiveness and Accountability to the American Taxpayer.

Management Objective 1.1 Improve organizational effectiveness and support staff retention by identifying and promoting opportunities for employees' professional growth.

Justification

Professional development and continuous enhancement of technical competencies are required to provide unquestionable quality and reliability to Bureaus and U.S. tax payers. A job-series and portfolio approach to professional development marries the needs of each employee's job function and actual assignment, to ensure that BP can easily adapt to changing workloads without sacrificing quality. This approach to professional development requires active participation from both BP staff and supervisors to identify and fill training and experience gaps. A BP employee should possess relevant professional competencies gained through external training, internal government training, rotational assignments, and on-the-job experiences.

Management Objective 1.2 Provide better oversight and customer service internally and externally by strengthening the quality of BP's policies, products, and processes through continuous review and analysis.

Justification

BP's role incorporates oversight, compliance, and customer service responsibilities to the Department. The effectiveness of BP's operations has a critical impact on

Department operations. A customer-based approach leads to positive feedback loops that improve the BP effectiveness. Effective BP operations also require a commitment to ongoing professional development. Well-defined and functional policies and guidance that are developed to technical and legal specifications and understood by employees and stakeholders also contribute to effective operations, as do Standard Operating Procedures (SOPs). Several BP divisions have incorporated SOPs and Wikis into their operations, but this practice is not uniform across the bureau and the existence of SOPs and Wikis is not known by all employees.

Management Objective 1.3 Enhance BP decision-making through access to data and modernized, mission-capable information technology.

Justification

Empowered staff producing high quality results requires tools that are easy to use and fit for the purpose, so that staff spend less time finding and formatting data and more time analyzing. Fit-for-purpose tools and data must be built upon core business questions and in an agile fashion to minimize the need for cuff-records and tools. This may include modernizing existing systems, creating reports, interfacing with other Department data systems, enhancing staff knowledge and access to other enterprise data-systems and sources, and developing new analytical skill sets.