

Preparation and Submission of Strategic Plans

210.1. Introduction.

This section provides instructions for preparing strategic plans and outlines the relationship between strategic plans and annual performance plans.

A strategic plan can be used to align agency organization and budget structure with missions and objectives. In matching programs and activities to the agency mission and objectives, the strategic plan can also be a means for re-aligning and re-engineering functions and operations. Preparation of a plan also provides an opportunity to consider

programs and activities that can be terminated, reduced in scope, or transferred elsewhere.

Strategic plans should guide the formulation and execution of the budget. These plans are a tool for agencies in setting priorities and allocating resources consistent with these priorities. Although a strategic plan is not a budget request, the projected levels of goal achievement should be commensurate with anticipated resource levels.

The basic requirements for strategic plans are set forth in Section 3 of GPRA (see Exhibit 210A).

210.2. Timing of plan submissions.

Summary of requirements: Agencies are to transmit a revised and updated strategic plan to Congress within three years of having submitted their initial strategic plan. For most agencies, the transmittal will not be later than September 30, 2000. Agencies are to provide OMB with an advance copy of the plan at least 45 days before transmitting the plan to Congress.

(a) Submission of an initial strategic plan.—Under GPRA, agencies were required to submit their initial strategic plan to OMB and Congress not later than September 30, 1997. In the future, newly established agencies or agencies previously exempted from GPRA requirements should use the provisions of this subpart when preparing and submitting their initial strategic plan. The date for submitting an initial plan is coordinated in advance with OMB.

(b) Requirement for submission of updated and revised plans.—An updated and revised strategic plan (the updated plan) is required at least once every three years. This three-year cycle has the effect of updating an existing plan for its remaining years, as well as chronologically extending it by three or more years. (See section 210.3 on the period covered by a strategic plan.) Revisions to

the plan incorporate policy, programmatic, or other changes to any element of the agency's current plan. An updated strategic plan will often retain, unchanged, elements of the initial strategic plan, such as the mission statement.

(c) Submission date for updated and revised plans.—GPRA sets no specific calendar date for these submissions. Agencies submitting plans in September 1997 would be expected to submit an updated plan not later than September 2000. The several agencies transmitting an initial plan after September 1997 would have three years from their submittal date.

The three year cycle begins anew with the submittal of an updated strategic plan to Congress. Thus, agencies submitting an updated plan during 1999 would have three years until the appropriate, cor-

responding month in 2002 before being required to transmit another updated plan.

Agencies should consider advancing the September 2000 transmittal date by six or more months. Moving this date forward would allow the performance plans for FY 2001 to be reviewed with a contemporaneous strategic plan. Other circumstances that may influence the timing of a submission include the extent and nature of comments received on the agency's initial strategic plan, and phasing of other events during the year 2000 with the required outreach to interested parties and Congressional consultation.

(d) Interim adjustments.—Minor adjustments to a strategic plan can be made in advance of the 3-year revision cycle. These adjustments can include changes to the general goals or objectives, the means and strategies used to achieve the goals, the key external factors, or the program evaluations schedule. Modifications may reflect altered circumstances or evaluations of program performance. Interim adjustments are selective and do not encompass widespread changes to a plan.

All the adjustments should be included with the annual performance plan as a separate, easily found section. Only the adjustments are presented. A final annual performance plan or a revised final

annual plan may be used to identify these minor adjustments to Congress and the public (see subsection 220.6(d)).

Consultation with Congress or potentially interested or affected parties is not required for interim adjustments. Adjustments do not require a formal transmittal (see section 210.13). Agencies should distribute, or otherwise make publicly available, the interim adjustments so readers can reference or review the most current strategic plan content.

Significant changes to a strategic plan should be made through a revision of the strategic plan, even if this accelerates the required three-year update/revision cycle. In these instances, consultation requirements will apply (see section 210.12). Interim adjustments do not alter the 3-year revision cycle for strategic plans.

(e) Advance copies of submissions.—Consistent with current policy and practice regarding interagency clearance of certain material being sent to Congress, agencies are to provide OMB with an advance copy of an updated strategic plan at least 45 days prior to the date for transmitting the plan to Congress and making it available to the public. (See section 210.12 on recurring consultation with OMB during plan development.)

210.3. Time period covered by strategic plans.

Summary of requirement: A strategic plan must cover a minimum of six years.

A strategic plan is to span a minimum six year period: the fiscal year it is submitted, and at least five years forward of that fiscal year. (For example, a plan submitted in FY 2000 would cover FY 2000 through FY 2005). A plan may be for a period

longer than six years, containing, for example, a project completion goal ten years in the future. A strategic plan, while covering a minimum six year period, is current for only three years (see section 210.4 and Exhibit 210B).

210.4. Relationship to submission of annual performance plans.

Summary of requirements: When submitted, an annual performance plan must be covered by a current strategic plan.

Agencies should note the specific linkage between strategic plans and annual performance plans. A strategic plan's goals and objectives set the framework for developing annual performance plans. Consequently, GPRa states that an annual performance plan may not be submitted for a fiscal year not covered by a current strategic plan. (See also section 210.9 on relationship between general goals in a strategic plan and performance goals in an annual performance plan.)

Although an annual performance plan must be covered by a current strategic plan, the strategic plan need not be current during the actual fiscal year for which the performance plan was prepared.

A subsequent strategic plan (revised and updated) could be current during the actual fiscal year. The submission of an updated strategic plan supersedes the fiscal year coverage of the previous strategic plan.

Strategic plans submitted in September 1997 will be current for annual performance plans for fiscal years 1999 through 2001. An updated strategic plan submitted in March 2000 would supersede coverage for the fiscal year 2001 annual plan, and also be current for annual plans for fiscal years 2002 through 2004. Exhibit 210B illustrates the fiscal year annual performance plan coverage of strategic plans.

210.5. Strategic plan requirements.

Summary of requirements: A strategic plan must cover the major functions and operations of the agency.

(a) Format of strategic plans.—No specific format is prescribed for strategic plans. An updated and revised strategic plan is a complete plan, containing all required plan elements..

A plan that brings together related elements often aids plan review. For example, such a plan would tie the relevant means and strategies, external factors, etc., to the appropriate general goal(s) or objective(s). This contrasts to a format where each plan element has its own separate section, thus compelling readers to jump back and forth between the sections.

An agency should consider the prospective readership of its strategic plan when determining length, style, and understandability. However, brevity and conciseness will likely characterize plans that are useful and widely read. Agencies should endeavor to make their strategic plans available on the WorldWideWeb or through other electronic media.

(b) The single strategic plan.—Agencies are strongly encouraged to submit a single agency-wide plan. However, an agency with widely disparate functions may prepare several strategic plans for its major components or programs. The number of separate

plans for major components or programs shall be kept to a minimum. Separate plans should center on the major functions for an agency, and group related programs or components within any plan. The several plans should collectively cover all major functions and operations of the agency.

An agency-wide strategic overview is prepared when more than one plan is submitted by an agency. The overview links separate strategic plans by giving an overall statement of the agency's mission and goals. The overview should accompany submission of the separate strategic plans. When submission dates for an agency's separate strategic plans vary significantly, the overview is modified, as appropriate, to reflect the content of the plan being submitted at a particular time. An overview is subject to consultation requirements, if appropriate consultation did not occur during development of the several strategic plans.

If an agency prepares numerous, site- or organization-specific strategic plans for component units or sub-programs, these should not be merely packaged together and submitted as a single strategic plan. The ensuing size and detail of such a compilation

will reduce the plan's usefulness. Instead, the information from individual strategic plans should be integrated into a single agency-wide strategic plan, or into the several, separate strategic plans that the agency chooses to submit for its major programs or components.

(c) Major functions and operations.—An agency has discretion to submit strategic plans covering only its major functions or operations; support-type activities and operations can be omitted. Strategic plans prepared primarily for agency internal use (such as those prepared at a program or component-unique level) may cover a greater range of functions and operations.

(d) Integration.—Because of their scope and importance, strategic plans can be used in developing a comprehensive and integrated approach to performance management. When preparing revised and updated plans, agencies should incorporate and apply the products and processes resulting from other ongoing performance-related efforts.

These initiatives include customer service standards, performance partnerships, activities introducing a more precise cumulation and allocation of cost, performance-based contracting, analyses of tax expenditures, and previous strategic plans. Other processes and products related to the National Partnership for Reinventing Government, regulatory reform, and agency restructuring and re-engineering should, as appropriate, be reflected in a strategic plan.

(e) Cross-cutting programs.—Cross-cutting programs and activities are undertaken by several agencies to achieve a common purpose or objective. Often this is a mutual effort by the agencies. In preparing an updated strategic plan, agencies should review the strategic plans of other agencies that participate with the agency in a cross-cutting program. This will complement the inter-agency coordination that

should occur during plan preparation (see also section 210.12).

An agency formally assigned lead responsibility for a cross-cutting program should include in its plan any agreed-on goals and objectives for the program. Other agencies having principal responsibility for particular goals should be identified.

Strategic plans of agencies participating in a cross-cutting program should each describe the interface between their related programs, and outline how individual agency efforts synergistically support common endeavors.

(f) Classified appendix.—A classified appendix covers any material specifically authorized under criteria established by an Executive order to be kept secret in the interest of national defense or foreign policy. Where appropriate, an agency may include a classified appendix in a strategic plan.

(g) Elements of strategic plans.—As defined by section 3 of GPRA, a strategic plan should contain the following elements:

- a comprehensive mission statement;
- a description of general goals and objectives;
- a description of the means and strategies that will be used to achieve the goals and objectives;
- a description of the relationship between performance goals in the annual performance plan and general goals and objectives in the strategic plan;
- identification of key factors that could affect achievement of the general goals and objectives; and
- a description of program evaluations used, and a schedule for future evaluations.

More detailed guidance on strategic plan elements is provided in sections 210.6-210.11. Requirements for the letter transmitting plans are included in Section 210.13.

210.6. Comprehensive mission statement.

Summary of requirement: An agency strategic plan must include a mission statement.

The mission statement should be brief, defining the basic purpose of the agency, with particular focus on its core programs and activities. In addition,

an agency may supplement the mission statement with a concise discussion of enabling or authorizing statutes, as well as identification of issues that Congress

specifically charged the agency to address. An agency may include a summary list of those laws and directives relevant to the conduct of its core programs and activities as a plan appendix.

Vision statements, which typically enunciate agency values or principles, may be included in a strategic plan. A vision statement is not required.

210.7. General goals and objectives.

Summary of requirements: An agency strategic plan must include one or more general goals (or objectives). The goal(s) must be defined in a manner that allows a future assessment to be made on whether the goal was or is being achieved.

(a) **Purpose of the goals.**—Strategic plans set out the long-term programmatic, policy, and management goals of the agency, outlining planned accomplishments and the schedule for their implementation. The general goals and objectives should elaborate on how the agency is carrying out its mission, and very often will be outcome-type goals. (See section 210.9 for a discussion of the relationship between general goals in strategic plans and performance goals in annual performance plans.)

The general goals and objectives should be sufficiently precise to direct and guide agency staff toward actions that fulfill the mission of the agency. An agency may rely on the actions of others in achieving a general goal or objective (see section 210.10).

General goals and objectives should not go beyond an agency's span of influence. An agency's span of influence may extend beyond its span of control. For example, an agency may directly provide services. The actual delivery of these services is within its span of control. The same agency may fund others to provide similar services. The delivery of these services are within an agency's span of influence (and, depending on the specifications for service

delivery, might be within its span of control as well). However, delivery of these services by all parties has a very small economic impact. An assertion that delivery of these services significantly affected national economic growth would go beyond the agency's influence on the overall economy.

(b) **Defining the goals and objectives.**—General goals and objectives should be stated in a manner that allows a future assessment to be made on whether the goals were or are being achieved. A general goal that is defined quantitatively facilitates such a determination. However, a measurable goal need not be quantitative (e.g., it can be centered on the achievement of a single event, such as landing astronauts on the moon).

When general goals and objectives are defined in a way that precludes a direct, future determination of achievement, the performance goals and indicators in the annual performance plan should be used to provide the basis for the assessment. In defining general goals and objectives, agencies should avoid platitudes or rhetoric which is inherently unmeasurable, either directly or through the use of performance goals and indicators.

210.8. Description of how the general goals and objectives will be achieved.

Summary of requirements: The agency strategic plan must describe the processes, skills, technologies, and various resources that will be used to achieve the general goals and objectives. (These are often called the means and strategies.)

This element describes the means and strategies the agency will use to achieve the general goals and objectives. These can include:

- operational processes;
- skills and technologies; and
- human, capital, information, and other resources.

Descriptions of the processes, technologies, and resources should be brief, with additional detail provided only when the achievement of the goal(s) is predicated on a significant change in resource or technological levels or capacities, or in the mode or functioning of the processes.

Schedules for initiating or completing significant actions, and any underlying assumptions or projections, should be included. Agencies should use reasonable projections of the funding and staff that will be available over the time period covered by the plan.

As appropriate, achievement of goals and objectives may rely on tax expenditures, user fees, other types of collections, regulation, or activities and products of other Federal agencies, States, local governments, or non-governmental entities. Reliance on other governments or parties should be addressed in key external factors (see section 210.10).

Agencies should include a brief description of steps being taken to resolve mission-critical management problems. For an agency, a mission-critical problem poses a realistic and prospective impediment to carrying out the agency's mission or achieving the general goals and objectives during the strategic plan timeframe (see also subsection 220.11(e)).

The means and strategies section of the plan should outline the process for communicating goals and objectives throughout the agency, and for assigning accountability to managers and staff for achievement of objectives.

210.9. Relationship between goals in the annual performance plan and a strategic plan.

Summary of requirement: A strategic plan must describe the relationship between the general goals and objectives in the strategic plan and the performance goals (and indicators) in the annual performance plan.

Performance goals and performance indicators in an annual performance plan should be based on the general goals and objectives in a strategic plan.

The updated strategic plan should briefly outline:

- the type, nature, and scope of the performance goals being included in annual performance plans,
- the relation between the performance goals and the general goals and objectives, and
- the relevance and use of performance goals in helping determine the achievement of general goals and objectives.

To a great extent, the performance goals indicate the progress in a fiscal year toward achievement of the strategic plan's general goals and objectives. As such, performance goals that represent milestones in achieving the general goals and objectives of a strategic plan may be appropriate. In some cases, general goals in strategic plans and annual goals in performance plans may be identical, especially when outcome goals are to be achieved in a particular year.

210.10. Key factors affecting achievement of general goals and objectives.

Summary of requirement: A strategic plan should identify those key factors, external to the agency, that could significantly affect achievement of the general goals and objectives. If no key factors can be identified, a statement of such should be included in the plan.

(a) **In general.**—Achievement of general goals and objectives can be affected by certain previously prospective conditions or circumstances actually occurring during the time period covered by the plan. These conditions or circumstances are identified in the plan as key factors, and provide insight into the presumptions an agency used when defining its goals and objectives. Key factors may enhance or nullify these assumptions and the resulting likelihood of goal achievement.

These factors are often called external factors, as they are introduced by external forces or parties, and are not of the agency's own making. The factors may be economic, demographic, social, or environmental, and they may remain stable, change within predicted rates, or vary to an unexpected degree. Goal achievement may also be predicated on certain conditions (events) not happening. Achievement of goals can also depend on the action of Congress, other Federal agencies, States, local governments, or other non-Federal entities.

(b) **Identifying key factors in the strategic plan.**—In a strategic plan, each key external factor should be described, indicating its link with a particular goal(s), and describing how achievement of the goal could be directly and significantly affected by the factor.

Factors that are unlikely to occur, or have only tangential influence on the general goals and objectives, should be omitted from a strategic plan. Factors that simply restate basic presumptions—

for example, “goal achievement depends on future agency budgets being at requested levels”—usually have little informational value, and should also be omitted. If no key factors can be identified, the agency should include a statement to this effect in the strategic plan.

(c) **Mitigating actions.**—In its strategic plan, an agency should not detail mitigating actions, contingent steps, or alternative courses to be taken in the event a key factor actually begins affecting goal achievement. To do so will likely complicate the plan with speculative scenarios, arrays of what-to-do-ifs, or demonstrations of how little real effect any agency attempt at intervention might have. For example, the appearance of global climate phenomena, such as El Nino, can affect environmental quality, agricultural production, the location, severity, and cost of natural disasters, and economic growth. As agencies are incapable of ameliorating such phenomena, a strategic plan that included mitigating actions might consequentially be replete with goals for strong El Nino years, “normal” years, and strong La Nina years.

Rather than including lists of potential mitigating actions in a strategic plan, an agency should modify the plan through an interim adjustment (see subsection 210.2(c)) if an external factor begins affecting goal achievement. If dictated by the magnitude of the factor's effect, the agency may need to prepare an updated and revised plan.

210.11. Program evaluations and strategic plans.

Summary of requirements: A strategic plan should contain a schedule for future program evaluations, including the methodology to be used. The plan should also describe the use of completed evaluations in preparing the plan. If no program evaluations are scheduled during the timeperiod covered by the plan, a statement of such should be included.

(a) **Program evaluations.**—Program evaluations cover assessments, through objective measurement and systematic analysis, of the manner and extent to which Federal programs achieve intended objectives.

Under GPRA, program evaluations also encompass assessments of program implementation processes and operating policies and practices when the primary concern is about implementation rather than program outcomes. This form of program evaluation is often called a “process” evaluation.

(b) **Future program evaluations.**—A schedule for future program evaluations is included in the strategic plan. The schedule should outline the general methodology to be used (e.g., a longitudinal study), timetable, and the general scope of the evaluation, as well as particular issues to be addressed. At a minimum, schedules for future evaluations should

cover the fiscal years prior to the next update of the strategic plan.

The need for and appropriateness of doing a program evaluation may depend on the nature of an agency’s programs, and how the general goals and objectives in the strategic plan are defined. If an agency will not be conducting program evaluations during the time period covered by the plan, a statement to this effect should be included in the plan. (See also subsection 220.5(f) on including information on analyses and studies, other than program evaluations, in the annual performance plan.)

(c) **Completed program evaluations.**—The program evaluations that were used in preparing the updated strategic plan should be briefly described. The effect of program evaluations on the definition of goals and objectives in the plan should be highlighted.

210.12. Consultation.

Summary of requirements: When preparing a strategic plan, agencies must consult with Congress and solicit and consider the views of interested and potentially affected parties. This consultation and outreach may result in contrary views being expressed (section 210.13).

In developing a strategic plan, an agency must consult with Congress and solicit and consider the views and suggestions of entities—such as customers and other stakeholders—potentially affected by or interested in the plan.

Agencies have discretion in how this consultation is conducted. An agency’s existing consultation proc-

esses may be used. The development of strategic plans is not subject to the Administrative Procedures Act.

Some general goals and objectives will relate to cross-agency functions, programs, or activities. In such instances, agencies may have a shared responsibility for defining and achieving general

goals or objectives in these cross-cutting areas. Agencies should ensure that appropriate and timely consultation occurs with other agencies during development of strategic plans with cross-cutting goals and objectives.

To help ensure that a revised and updated strategic plan conforms with statutory requirements and is consistent with national policy, continuing interaction should occur between OMB and agency staff over the full course of plan preparation.

210.13. Transmittal of plans to Congress and OMB.

Summary of requirements: The plan is transmitted to Congress by the agency head. Transmittal letters are addressed to the Speaker of the House of Representatives, the President pro tempore of the Senate, and the Director of OMB. Distribution is also made to relevant committees of the Congress. The letter transmitting the agency strategic plan to Congress includes a summary of the consultation and outreach processes, and any contrary views. Strategic plans are made available to the public.

(a) The transmittal letter:—Agencies are to prepare a letter from the agency head transmitting each strategic plan. A transmittal letter is also prepared for a strategic overview containing only a summary presentation of overall mission and goals (see section 210.5). A transmittal letter will include:

- a summary of the general scope and nature of the consultation, and the types of entities consulted (see section 210.12);
- a summary of contrary views received; and
- a description of any significant contribution to the preparation of strategic plans made by non-Federal entities (see also section 220.6).

Transmittal letters are addressed to the Speaker of the House of Representatives, the President pro tempore of the Senate, and the Director of OMB. Copies will be provided to the chairmen and ranking minority members of the relevant authorization, oversight, or budget committees and appropriation subcommittees, and the chairman and ranking minority members of the Senate Committee on Governmental Affairs and the House Government Reform and Oversight Committee. Copies may also be distributed to other members of Congress or committees.

(b) Contrary views:—A strategic plan will often reflect hard choices, with a plan's usefulness often

corresponding to the difficult policy and programmatic decisions that were made during its development. In many instances, there may be disagreement about particular goals and objectives, or the means by which the goals will be achieved. The transmittal letter should summarize those views received from entities outside the Executive Branch of the Government which disagree, in a substantive and germane way, with the programmatic, policy, or management courses-of-action presented in the plan. The summary should generalize the degree of disagreement, and the source(s). Contrary views should not be individually attributed or listed.

An agency may wish to concentrate principally on summarizing those contrary views offered as the proposals in the plan became more specific, and less on those generated during its initial, more formative stage.

(c) Public availability of plans.—Strategic plans are a matter of public record; the public should be afforded the opportunity to obtain copies of the completed plan. Generally, a strategic plan should become publicly available when the plan is transmitted to Congress. (See also subsection 210.5(a) on electronic availability of strategic plans.)

Section 3 of the Government Performance and Results Act

SEC.3. STRATEGIC PLANNING

Chapter 3 of title 5, United States Code, is amended by adding after section 305 the following new section;

“§ 306. Strategic plans

“(a) No later than September 30, 1997, the head of each agency shall submit to the Director of the Office of Management and Budget and to the Congress a strategic plan for program activities. Such plan shall contain—

“(1) a comprehensive mission statement covering the major functions and operations of the agency;

“(2) general goals and objectives, including outcome-related goals and objectives, for the major functions and operations of the agency;

“(3) a description of how the goals and objectives are to be achieved, including a description of the operational processes, skills and technology, and the human, capital, information, and other resources required to meet those goals and objectives;

“(4) a description of how the performance goals included in the plan required by section 1115(a) of title 31 shall be related to the general goals and objectives in the strategic plan;

“(5) an identification of those key factors external to the agency and beyond its control that could significantly affect the achievement of the general goals and objectives; and

“(6) a description of the program evaluations used in establishing or revising general goals and objectives, with a schedule for future program evaluations.

“(b) The strategic plan shall cover a period of not less than five years forward from the fiscal year in which it is submitted, and shall be updated and revised at least every three years.

“(c) The performance plan required by section 1115 of title 31 shall be consistent with the agency’s strategic plan. A performance plan may not be submitted for a fiscal year not covered by a current strategic plan under this section.

“(d) When developing a strategic plan, the agency shall consult with the Congress, and shall solicit and consider the views and suggestions of those entities potentially affected by or interested in such a plan.

“(e) The functions and activities of this section shall be considered to be inherently Governmental functions. The drafting of strategic plans under this section shall be performed only by Federal employees.

“(f) For purposes of this section, the term “agency” means an Executive agency defined under section 105, but does not include the Central Intelligence Agency, the General Accounting Office, the Panama Canal Commission, the United States Postal Service, and the Postal Rate Commission.”.

Various Submission Dates for Strategic Plans and Years Covered

Strategic Plan Submission Date	Minimum Years Covered in Strategic Plan	Strategic Plan is current for annual performance plans for:	Next Update/Revision Submission Date by:
September 30, 1997	FY 1997–2002	FY 1999–2002 ¹	September 29, 2000
August 1, 1998 *	FY 1998–2003	FY 1999–2002	July 31, 2001
September 30, 1999 *	FY 1999–2004	FY 1999–2004 ²	September 29, 2002
March 31, 2000 *	FY 2000–2005	FY 2000–2004 ³	March 30, 2003
September 29, 2000 *	FY 2000–2005	FY 2000–2005 ⁴	September 28, 2003

* Transmittal dates for an updated and revised strategic plan.

¹ For the FY 2002 annual plan, would cover only the submission of the initial iteration.

² For the FY 2004 annual plan, would cover only the submission of the initial iteration.

³ For the FY 2004 annual plan, would cover the submission of the initial and final iterations.

⁴ For the FY 2005 annual plan, would cover only the submission of the initial iteration.