

What does the 2011 President's Budget say about Evaluation?

Content excerpted from *Budget of the U.S. Government*

<http://www.whitehouse.gov/omb/budget/fy2011/assets/budget.pdf>

In the Prefacing Sections

Increase the Number of Effective Teachers and Principals.

Today, taxpayers invest nearly \$3 billion a year in a teacher quality block grant that heavily supports investments with little evidentiary support or impact on increasing learning. As part of the overhaul of ESEA, *the Administration will require States taking formula funds to develop the preconditions for an effective human capital system, beginning with strong evaluation systems.* (page 26)

Restructure Narrow and Constrained Education Programs Into Broad and Flexible Competitions that Fund What Works.

The Department of Education funds dozens of programs that narrowly limit what States, districts, and schools can do with funds. Some of these programs have little evidence of success, while others are demonstrably failing to improve student achievement... Building on the Recovery Act, *the Administration proposes \$500 million to expand the Investing in Innovation Fund, which will expand proven models—and fund and evaluate promising ones—for achieving student success. The Budget dedicates funds for the rigorous evaluation of education programs so that we can scale up what works and eliminate what does not.* (page 28)

Fund Innovative Efforts to Improve Services for Seniors and People with Disabilities.

The Budget includes new Medicare and Medicaid demonstration projects that evaluate reforms to provide higher quality care at lower costs, improve beneficiary education and understanding of benefits offered, and better align provider payments with costs and outcomes. (page 31)

Restoring Responsibility [Introduction]

This...desire to evaluate Government performance accurately also motivated the Administration's line-by-line review of the Federal budget for programs that were ineffective, duplicative, or obsolete. (page 37)

Rigorously Evaluate Program Performance.

In order to drive evidence-based decisions about what works and what doesn't, the Administration is aggressively expanding its program evaluation efforts. In response to the Office of Management and Budget (OMB) guidance, 17 agencies submitted a total of 61 specific proposals ranging from new efforts to evaluate the efficacy of new investments in early childhood education to a proposal to determine which approaches to foreign assistance are most effective in reducing poverty in poor countries. In the Budget, the Administration will fund 23 of the most promising new program evaluations and strengthen evaluation capacity in other agencies. All major evaluations planned or underway will be posted online from the time they are started, so that agencies cannot hide negative findings. (page 42)

Strengthens Key Statistical Programs.

The Budget provides \$1.3 billion to the Census Bureau to process, tabulate, and release 2010 Census data, conduct extensive evaluations of the census, improve the data collection methods of the American

Community Survey, and begin a continuous update process of the Census Bureau's geospatial and address data, which is expected to produce long-run cost savings. These initiatives will provide more accurate data for decision-makers at all levels of government and in the private sector. (page 52)

In Department Specific Sections

Department of Education: Increase the Number of Effective Teachers and Principals.

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Department of Education: Restructure Narrow and Constrained Education Programs Into Broad and Flexible Competitions that Fund What Works.

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Department of Education: Evaluate Rigorously Federal Education Programs.

The Budget reflects the Administration's commitment to rigorous evaluations that distinguish between what works and what doesn't so we do not waste taxpayer dollars. Compared to two years ago, the current request represents a nearly 20 percent increase in the investment in the development, evaluation, and dissemination of education interventions that increase student learning and achievement through the Institute of Education Sciences. Additional funds will be used to evaluate Federal education programs rigorously, particularly investments launched under the Recovery Act. The increase in education research and evaluation will provide practitioners and policy makers with effective tools for preparing students for success in college and the workforce. (page 66)

Department of Health and Human Services: Funds Innovative Efforts to Improve Services for Seniors and People with Disabilities.

The Budget includes new Medicare and Medicaid demonstration projects that evaluate reforms to provide higher quality care at lower costs, improve beneficiary education and understanding of benefits offered, and better align provider payments with costs and outcomes. (page 74)

Department of Health and Human Services: Invests in Wellness Initiatives for the Federal Workplace to Improve Health and Lower Costs.

The Budget invests \$10 million for the Federal employee workplace wellness initiative. *This initiative will implement prototype wellness programs in select locations that will be rigorously evaluated for their ability to produce a healthier workforce and lower healthcare costs.* (page 75)

Department of Housing and Urban Development: Expands Funding for High-Priority Research and Program Evaluations.

The Budget provides increased funding for housing research, fully funds the American Housing Survey, and *funds three new impact evaluations as part of the Government-wide evaluation initiative—a Family Self-Sufficiency Demonstration, Rent Reform Demonstration, and Choice Neighborhoods*

Demonstration. This increased investment in research will allow HUD to determine whether programs are achieving their intended outcomes and provide new evidence on how to efficiently and effectively provide rental assistance. (page 87)

Department of State and Other International Programs: Fights Hunger and Expands Food Security Efforts.

Additional assistance will help targeted countries increase agricultural productivity, improve agricultural research and development, and expand markets and trade while monitoring and evaluating program performance. (page 106)

Corporation for National and Community Service: Invests in Innovative Non-Profits.

Innovators often come up with great ideas for addressing critical national challenges, but too often *they lack the capital to develop, evaluate, and replicate successful approaches. The Budget invests \$60 million in the Social Innovation Fund to test promising new approaches to major challenges, leverage private and foundation capital to meet these needs, and grow evidence-based programs.* (page 143)

Corporation for National and Community Service: Strengthens the Management Capacity of the Corporation.

The Budget likewise invests in the Corporation's capacity to measure its performance, evaluate its programs, and make data-driven decisions. (page 144)

In Supplementary Materials: Analytical Perspectives

Notes on *Analytical Perspectives: Budget of the U.S. Government*

<http://www.whitehouse.gov/omb/budget/fy2011/assets/spec.pdf> (see pages 71-98)

A new section within *Analytical Perspectives*, focusing specifically on Program Evaluation, has been added for 2010. That section is reproduced here in its entirety:

8. PROGRAM EVALUATION

Empirical evidence is an essential ingredient for assessing whether Government programs are achieving their intended outcomes. Agencies use performance measurement to track progress toward intended program outcomes and to suggest which programs and practices hold the most promise for improving performance and which do not. Performance measurement is a critical tool managers use to improve performance, but often cannot conclusively answer questions about how outcomes would differ in the absence of a program or if a program had been administered in a different way. That is where program evaluations play a critical role.

Good program evaluations help answer questions such as whether workers are safer in facilities that are inspected more frequently, whether one option for turning around a low-performing school is more effective than another, and whether outcomes for families are substantially improved in neighborhoods that receive intensive services. A central pillar of good government is a culture where answering such questions is a fundamental part of program design and where agencies have the capacity to use evidence to invest more in what works and less in what does not. The Administration has committed to building such an evaluation infrastructure, complementing and integrated with its efforts to strengthen performance measurement and management.

On October 7, 2009, the OMB Director issued Memo M-10-01 “Increased Emphasis on Program Evaluations”, which called for three steps to improve the evaluation capacity of the Federal Government:

Providing on-line information about existing evaluations—OMB is working with agencies to make information readily available on-line about all Federal evaluations focused on program impacts that are planned or already underway. This effort, analogous to that of the HHS clinical trial registry and results data bank (*ClinicalTrials.gov*), will promote increased transparency and allow experts inside and outside the Government to engage early in the development of program evaluations.

Establishing an inter-agency working group— Working with the Domestic Policy Council, National Economic Council, the Council of Economic Advisers, and OMB, this inter-agency working group will promote stronger evaluation across the Federal Government by (a) helping build agency evaluation capacity and creating effective evaluation networks that draw on the best expertise inside and outside the Federal Government, (b) sharing best practices from agencies with strong, independent evaluation offices and making research expertise available to agencies that need assistance in selecting appropriate research designs in different contexts, (c) devising new and creative strategies for using data and evaluation to drive continuous improvement in program policy and practice, and (d) developing Government-wide guidance on program evaluation practices with sufficient flexibility for agencies to adopt practices suited to their specific needs.

Launch a new evaluation initiative—The Budget allocates approximately \$100 million to 17 agencies that submitted proposals requesting funding either to conduct new evaluations with strong study designs that address important, actionable questions or to strengthen agency capacity to support such strong evaluations. Agencies that submitted proposals also needed to demonstrate that their 2011 funding priorities are based upon credible empirical evidence—or a plan to collect that evidence—and to identify impediments to rigorous program evaluation in their statutes or regulations so that these might be addressed going forward.

The evaluation initiative included an extensive review process, with proposals reviewed by program examiners at OMB and evaluation experts at OMB and the Council of Economic Advisers. Agencies then had a series of meetings with OMB and the Council of Economic Advisers to sharpen their proposals. Going forward, OMB and the Council of Economic Advisers plan to continue to work with these agencies on implementing strong research designs that answer important questions.

The accompanying table presents the evaluation activities proposed for funding as part of the 2011 evaluation initiative. Evaluations are also being undertaken separate from this initiative and part of the purpose of making information on all evaluations available on-line is to develop a comprehensive accounting of all such activity being conducted by the Federal Government.

Table 8–1. FUNDED PROGRAM EVALUATION INITIATIVE PROPOSALS

Agency	Description
Department of Defense	Effects of locus of control on ChalleNGe program outcomes
Department of Education	Effects of school improvement grants
Department of Education	Effects of Investing in Innovation Fund (i3)
Department of Education/National Science Foundation	Effects of mathematical professional development for teachers
Department of Energy	Capacity building
Department of Health and Human Services	Effects of early childhood programs
Department of Health and Human Services	Effects of teen pregnancy programs
Department of Housing and Urban Development	Effects of rent reform options
Department of Housing and Urban Development	Effects of Family Self-Sufficiency (FSS) options
Department of Housing and Urban Development	Effects of Choice Neighborhoods
Department of Interior..	Capacity building
Department of Justice	Effects of inmate re-entry programs
Department of Justice	Capacity building
Department of Labor	Effects of new WIA performance measures
Department of Labor	Effects of employment services
Department of Labor	Evaluation of workforce programs using administrative data
Department of Labor	Effects of training/wage incentives on dislocated workers
Department of Labor	Recidivism and deterrent effects of OSHA inspections
Department of Labor	Capacity building
Millennium Challenge Corporation	Various efforts to improve evaluation efforts
Department of Transportation	Capacity building
Department of the Treasury	Testing alternative mortgage modification strategies
Department of the Treasury	Evaluating financial innovations by CDFIs
Department of the Treasury	Evaluating different approaches to no-fee debit cards
Department of the Treasury.	Evaluating VITA prepaid cards
Department of the Treasury	Linking mortgage/administrative data to assess mortgage risk
Environmental Protection Agency	Capacity building
National Aeronautics and Space Administration	Effects of Applied Sciences data sharing
National Science Foundation	Capacity building
National Science Foundation	Effects of Federal investments in science
National Science Foundation/Department of Education	Effects of various STEM education initiatives
Office of Personnel Management.	Effects of Federal employee health and wellness initiative
Small Business Administration	Effects of SBA programs
Social Security Administration	Disability Insurance evaluations
Corporation for National and Community Service	Effects of AmeriCorps on training, service, and communities

The President has made it very clear that policy decisions should be driven by evidence—evidence about what works and what does not and evidence that identifies the greatest needs and challenges. As an example of this, the Administration has made investments in equality of opportunity an important part of its agenda. Yet there are many ways to make such investments, such as improving K-12 education, increasing aid for college, increasing training opportunities, and providing greater income support for low-income families. The Administration has cho-

sen to invest in many of those areas, but has made a concerted effort to increase investments in early childhood education and home-visiting programs that are backed by strong evidence—because rigorous evidence suggests that investments in those areas have especially high returns.

One of the challenges to doing evidence-based policy making is that sometimes it is hard to say whether a program is working well or not. Historically, evaluations have been an afterthought when programs are designed— and once programs have been in place for a while it can be hard to build a constituency for a rigorous evaluation.

For that reason, for new initiatives, the Administration is using a three-tiered approach. First, more money is proposed for promoting the adoption of programs and practices that generate results backed up by strong evidence. Second, for an additional group of programs with some supportive evidence but not as much, additional resources are allocated on the condition that the programs will be rigorously evaluated going forward. Over time, the Administration anticipates that some of these programs will move to the top tier, but if not their funds will be directed to other, more promising efforts. Third, the approach encourages agencies to innovate and to test ideas with strong potential—ideas supported by preliminary research findings or reasonable hypotheses.

This three-tiered structure will provide objective criteria to inform decisions about programs and practices in which to invest. It will also create the right incentives for the future. Organizations will know that to be considered for significant funding, they must provide credible evaluation results that show promise, and, before that evidence is available, to be ready to subject their models to analysis. As more models move into the top tier, it will create pressure on all the top-tier models to improve their effectiveness to continue to receive support.

A good example of this approach—in which new or expanded programs have evaluation “baked into their DNA”— is the Department of Education’s Invest in Innovation Fund (i3). The i3 fund invests in high-impact, potentially transformative education interventions— ranging from new ideas with huge potential to those that have proven their effectiveness and are ready to be scaled up. Whether applicants to i3 are eligible for funding to develop, validate, or scale up their program, and therefore how much funding they are eligible to receive, will depend on the strength of the existing research evidence of the program’s effectiveness, the magnitude of the impact this evidence demonstrates the program is likely to have, and the program’s readiness for scaling up.

By instilling a culture of learning into Federal programs, the Administration can build knowledge so that spending decisions are based not only on good intentions, but also on strong evidence, so that carefully targeted investments will produce results.

In Supplementary Materials: Terminations, Reductions, and Savings

Content excerpted from *Terminations, Reductions, and Savings*

<http://www.whitehouse.gov/omb/budget/fy2011/assets/spec.pdf>

Terminations: Challenge Cost Share Grants.

DOI has not demonstrated effective program management or oversight of non-Federal contributions, particularly in-kind services. A recent DOI Inspector General report found that “increased accomplishments through the leveraging of bureau funding anticipated with the CCS Program cannot be accurately measured or maximized. This is the result of the bureau’s failure to verify partner contributions, effectively plan CCS projects, and accurately communicate Program availability and results.”¹

¹ Department of the Interior Office of Inspector General, *Evaluation of Department of the Interior Challenge Cost Share Programs*, Report No. WR-EV-MOA-0004-2008, p.7 (September 2009). (page 13)

Termination: Children and Families Services' Job Demonstration Program.

The JOLI [Job Opportunities for Low-Income Individuals] program is proposed for elimination as part of the Administration's overall reform of Federal job training programs. *It has never been evaluated, does not have performance measures,* and contributes to the fragmentation that the Administration is working with the Congress to reverse through legislative changes to the Workforce Investment Act. (page 14)

Termination: Health Care Services Grant Program.

The Administration proposes to support health care services in rural areas through Department of Health and Human Services (HHS) programs and eliminate the duplicative Department of Agriculture (USDA) Health Care Services grants program. *Health care services, health education, and health care training programs are not programs that USDA has experience evaluating or implementing. HHS, however, has expertise in this area and has programs that support similar goals.* (page 28)

Termination: Inter-City Bus Security Grant Program.

The Administration proposes in its 2011 Budget to eliminate the Inter-City Bus Security Grant Program (IBSGP) since *the awards are not based on risk assessment, and the homeland security investments in inter-city bus security should be evaluated in the context of the risks faced and relative benefits to be gained by Federal investments across all transportation sectors.* (page 31)

Termination: Rehabilitation Act Program Consolidations.

The Administration proposes to consolidate the Supported Employment (SE) State Grants, Projects with Industry (PWI), VR Migrant and Seasonal Farmworkers, and the in-service training portion of VR Training programs into the existing VR State Grants Program. These smaller programs provide services that are provided by the larger VR State Grants program or have accomplished their mission... changes to the Workforce Investment Act in 1992 and 1998 mandated employer involvement through larger job training programs and made the PWI program redundant. *In addition, a Department-funded evaluation of the PWI program from 2003 found that the group of individuals served by the PWI program is very similar to the population served by the larger VR State Grants at the aggregate program level and that most PWI projects serve a specific subset of the population served by one or more local VR offices.* (page 44) *...The Budget combines three small VR programs charged with carrying out technical assistance, evaluations, demonstrations, and other projects aimed at improving employment outcomes for individuals with disabilities.* (page 45)

Termination: Save American's Treasures and Preserve American.

The Administration proposes to eliminate the Save America's Treasures (SAT) and Preserve America (PA) grant programs so the National Park Service can focus resources on managing national parks and other activities that most closely align with its core mission. The SAT and PA programs have not demonstrated how they contribute to nationwide historic preservation goals... *Although SAT and PA programs use merit-based criteria to evaluate annual nominations for projects, the programs have not demonstrated how they contribute to National historic preservation goals. The programs lack rigorous performance metrics and evaluation efforts, so benefits remain unclear.* At least half of SAT funding is provided without using merit-based criteria. (page 48)

Termination: Small Department of Education Programs (5 Terminations).

The Exchanges with Historic Whaling and Trading Partners program provides non-competitive grants to support culturally-based educational activities for Alaska Natives, Native Hawaiians, children and families of Massachusetts, and (as amended by Public Law 109-149) any federally recognized Indian

tribe in Mississippi. Funds are provided only to five museums named in statute and have been awarded to the Mississippi Band of Choctaw Indians since 2006, rather than making awards based on a competition or merit. The Department has no reliable performance data on the grantees in this program. *The design of the program, non-competitive funding distributed each year to the same grantees, makes it difficult to evaluate effectiveness and circumvents the merit-based process of grant-making at the Department.* (page 50)

Termination: Voice of America.

The Administration proposes to reduce funding for the Voice of America (VOA) operations to countries that have greater access to unbiased news and information. Each year, *BBG [The Broadcasting Board of Governors] undertakes an assessment of each language in which the BBG entities broadcast, fulfilling a congressional mandate to “review, evaluate, and determine, at least annually, after consultation with the Secretary of State, the addition or deletion of language services.”* (page 58)

Termination: Watershed and Flood Prevention Program.

The Administration proposes to terminate the Watershed and Flood Prevention Operations program. The Congress has provided funding entirely to specific projects without any merit-based criteria, such as cost-effectiveness... *In 2010, almost 75 percent of the program was directed to specific projects, eliminating the Natural Resource Conservation Service’s (NRCS) ability to use project evaluations as a basis for prioritizing funding.* In addition, a 2003 Office of Management and Budget analysis showed that this NRCS program has a lower economic return than other Federal flood prevention programs (such as those in the Army Corps of Engineers or the Federal Emergency Management Agency).¹

¹ U.S. Army Corps of Engineers, *2003 Budget*, pp. 294-295. (page 61)

Reduction: Alaska Conveyance.

BLM [the Bureau of Land Management] is statutorily required to transfer title to 150 million acres of Federal lands in Alaska to the State of Alaska, Alaska Native Corporations, and individual Alaska Natives through the Alaska conveyance program... *The Administration will evaluate options for additional program reforms and efficiencies to complete final transfers in a timely manner.* (page 64)

Reduction: EPA Homeland Security Activities.

With the initial ramp-up activities completed, *EPA will now move into the next phase of its Homeland Security responsibilities, focusing on continued support and evaluation activities.* (page 74)

Reduction: Expeditionary Fighting Vehicle.

The Administration proposes to delay procurement of the Expeditionary Fighting Vehicle (EFV) one year while *maintaining planned EFV research, development, test and evaluation (RDT&E) funding.* EFV is the Marine Corps’ next generation, armored, amphibious, troop-carrying assault vehicle. *Delayed procurement will enable the completion of operational testing and evaluation (OT&E) prior to beginning procurement, thereby reducing the risk of cost growth.* (page 75)

Reduction: Great Lakes Restoration Initiative.

The 2010 Budget proposed and the Congress fully funded the new interagency GLRI [Great Lakes Restoration Initiative] to protect and restore the Great Lakes ecosystem. *This initiative focused on five high priority issues: ...5) accountability, monitoring, and evaluation.* The Budget provided the funds to EPA, which was charged with administering the initiative and distributing the funds to other Federal agencies as appropriate to accomplish restoration objectives. However, because this is a very large new

program, it will be difficult for EPA and its partner Federal agencies to spend all of the funds in 2010... Consequently, much of the 2010 funding will not be spent until 2011. (page 78)

Reduction: Home Investment Partnerships Program.

HOME Investment Partnerships Program is a formula block grant program that provides funding to increase the supply of affordable housing for low-income families. *HOME has sound performance metrics and evaluations suggesting that it accomplishes its goal of increasing the supply of low-income housing.*^{1,2} However, given current fiscal constraints and the program's scalability, the Administration proposes to reduce funding for HOME in 2011.

¹Urban Institute, *Expanding the Nation's Supply of Affordable Housing: An Evaluation of the HOME Investment Partnerships Program* (1998).

²Urban Institute, *Implementing Block Grants for Housing: An Evaluation of the First Year of HOME* (1995). (page 80)

Reduction: Information Technology Efficiencies.

SAVE proposals recommend consolidation or clustering of responsibilities for information technology support, streamlining and standardizing infrastructure, and reducing duplication. The result would be efficiency from more effectively utilized staff, services, and equipment and improved quality of services with consistent training, policies, and procedures. SAVE proposals recommend consolidation of the Department's nine major bureaus and multiple offices on one messaging system, use of a single intranet site to host Department information, and central hosting of messaging and web-portal services by a single entity in the Department.^{1,2,3}

¹Department of the Interior, Office of the Inspector General, *Evaluation of the Department of the Interior's Accountability of Desktop and Laptop Computers and Their Sensitive Data*, Report No. WR-EV-MOI-006-2008 (April 2009).

²Department of the Interior, Office of the Inspector General, *FY 2009 Federal Information Security Management Act Evaluation Report*, Report No. ISD-EV-MOA-0001-2009 (November 2009).

³Department of the Interior, Office of the Inspector General, *Compilation of Information Technology Challenges at DOI*, Report No. ISD-EV-OSS-0017-2008 (May 2008). (page 81)

Reduction: National Heritage Areas.

*Criteria has not been established to evaluate potentially qualified NHA sites for designation.*¹

¹Congressional Budget Office, *Budget Options, Volume 2* (August 2009). (page 85)

Other Savings: Unemployment Insurance, Program Integrity Allocation Adjustment.

The 2011 Budget provides additional dedicated funding to allow the States to conduct Reemployment and Eligibility Assessments (REAs) -- in-person interviews with Unemployment Insurance (UI) claimants to determine continued eligibility for benefits and whether additional reemployment assistance is needed...*A preliminary impact evaluation, using control groups, looked at the REA program in nine States in 2005.*¹ *While data problems limited the impact evaluation to two States, the evaluation found statistically significant results in one State with reduced overpayments, as well as reductions in the likelihood of exhausting UI and in the number of weeks compensated.* Results for REAs in the second State were not statistically significant, possibly due to the small sample size and the reemployment services available to members of the control group. A follow-up study is underway.

¹Jacob Benue, Eileen Poe Yamagata, Ying Wang, and Etan Blass, *Reemployment and Eligibility Assessment (REA) Study*, FY 2005 Initiative, Final Report, Impaq International (March 2008). (page 121)

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