**Agency Priority Goals**

**Requirements**

Every 2 years beginning in 2012, the Office of Management and Budget (OMB) is to determine the total number of agency priority goals across the government and how they are divided among agencies. If selected to develop such goals, the agency is to identify priority goals from among its performance goals. 31 U.S.C. § 1120(b)(1).

The agency priority goals are to

- reflect the agency’s highest priorities, as determined by the agency head and informed by the federal government priority goals and the consultations with Congress and other interested parties required for the agency strategic planning process;
- have ambitious targets that can be achieved within 2 years;
- have a clearly identified agency official, known as a goal leader, who is responsible for achieving each goal;
- have interim quarterly targets for performance indicators if more frequent updates of actual performance provides data of significant value to the federal government, Congress, or program partners at a reasonable level of administrative burden; and
- have clearly defined quarterly milestones.


If the agency priority goal includes any classified program activities or information, information about the agency priority goal is to be included in the classified appendix of the agency’s performance plan. 31 U.S.C. § 1120(b)(2).

The functions and activities related to developing agency priority goals are considered inherently governmental functions, only to be performed by federal employees. 31 U.S.C. § 1120(c).

**Select Legislative History**

The Act requires the head of each of the 24 CFO agencies or other agencies as determined by the Director of OMB to identify agency priority goals from among the agency’s performance goals. The Director of OMB would have authority to determine the total number of agency priority goals across the federal government, as well as the number of priority goals to be developed by each agency. The Senate Committee on Homeland Security and Governmental Affairs (the Committee) expected the total number of federal goals would not exceed 100 and agency priority goals would not exceed five per agency, while acknowledging variation may exist depending on the size and mission of a given agency. S. Rep. No. 111-372, at 9 (2010).

As the name implies, agency priority goals should reflect the agency’s highest priorities, as determined by the head of the agency. Such goals should be informed by any federal government priority goals to which the agency contributes. The priority goals have a two year timeframe, with ambitious but achievable performance targets and milestones. These should be stretch goals: the agency should set the goal to exceed its normal level of performance, but within reasonable reach. Although the language of the Act states that the goals are to be achievable, the Committee understood that external factors may cause agencies to fall short at times and a certain percentage of missed goals is acceptable. Since agency will likely select some complex and long-term challenges as target for improvement, the Committee expected that many priority goals would continue from a given two year cycle to the next, with updated performance targets and milestones all leading to a clearly defined end state. As with each of the agency’s other performance goals, each priority goal should have a clearly identified leader who is responsible for reaching the given goal. S. Rep. No. 111-372, at 9 (2010).

**Related GAO Work**

GAO has elaborated on and suggested several practices that support this requirement, including:

- suggesting improvements for agency implementation of priority goals ([GAO-13-174](#));
- using performance information to identify priorities ([GAO-05-927](#), pp. 11-12); and
- setting ambitious, or stretch, goals to drive performance improvement ([GAO/AIMD/GGD-95-130R](#), pp. 5-6; [GAO/T-GGD/AIMD-95-187](#), pp. 9-11).