

4 THE PPB SYSTEM: PROGRESS AND POTENTIALS—REPORT

agencies have applied PPBS only to new programs and have ignored older, and usually more costly, programs.

(4) Since programs are not presently structured on a broad, cross-agency basis, a program designed to achieve a given objective in one agency may have high priority, while a program to achieve the same objective in another agency may have low priority. This creates the danger of program conflict and duplication.

In summary, executive agencies appear to be progressing at a moderate rate toward efficient application of PPBS to their activities. One obstacle to increased success is the lack of personnel well trained in PPBS techniques. Another is that PPBS techniques are not yet sophisticated enough to deal with certain government programs.

STATE AND LOCAL APPLICATIONS

At least eight States and many major cities already employ PPBS techniques. The Ford Foundation has given its support to the movement by funding a joint program with five States—Wisconsin, California, Michigan, Vermont, and New York; five counties—Los Angeles County; Wayne County, Detroit; Dade County, Miami; Davidson County (greater Nashville), Tenn.; and Nassau County, N.Y.; and five cities—San Diego, Denver, Dayton, New Haven, and Detroit—studying application of PPBS to State and local governments.

Considerable success in aiding decisionmaking and long-range planning has already been reported in Wisconsin and Vermont, and in New York City, according to witnesses from these three jurisdictions.

1. Wisconsin first began switching over to PPBS methods in 1959 when State conservation projects were converted to program budgeting. Two years later, the motor vehicle department and board of health also adopted the PPBS approach to budgeting. Studies of the new techniques indicated marked success, and by 1964, all State operations were covered by the program budget format. In addition, Wisconsin officials were able to reorganize the State government structure; 90 separate agencies were reconsolidated into a functionally directed 26-department organization. On the legislative budgeting level, the traditional budget document was broken down into a series of policy papers which have received favorable support.

2. Vermont now stands where Wisconsin was in 1959; PPBS is just now being instituted in Vermont at basic levels. At this stage, Vermont officials are formulating the questions they expect PPBS to help answer. Some of these questions are:

How does the output of colleges and universities compare to State needs?

What steps can be taken to broaden and deepen opportunities for public service training?

Are existing employment service programs effective?

Is the highway program effectively assisting in development of State natural resources?

Vermont Lt. Gov. John J. Daley expressed to the subcommittee the hope that PPBS methods will give the State "the first real tool to work with to project our thinking and to cut down the guesswork."

3. New York City concentrated its first PPBS applications to areas of "high apparent yield" according to Budget Director Fred O'Reilly Hayes.