

SPECIAL ANALYSIS R

SELECTED AGENCY BUDGETS BY PROGRAM CATEGORIES

The tabulations shown in this analysis reflect for 3 years—1968, 1969, and 1970—the programs of selected agencies as classified in the categories and subcategories used in the agency Planning-Programming-Budgeting (PPB) systems.

While program structures have hitherto been published for most of the major agencies, this is the first time that data on budget authority have been presented in these terms. Since all agencies have not reached an equal stage of PPB development, some executive agencies in the Federal Government are not covered in this analysis.

THE PPB SYSTEM IN THE FEDERAL GOVERNMENT

Installation of the Planning-Programming-Budgeting system on a Government-wide basis was initiated by the President in August 1965. PPB is an effort to promote more systematic use of modern management tools that have been demonstrated to be of value in Government. The PPB approach was employed to enable the Government agencies and the President to:

- Identify national goals with greater precision and determine which goals are the most urgent;
- Develop and analyze alternative means of reaching goals most efficiently;
- Provide information on the total long term systems cost of programs on a basis that can be related to the benefits derived from each program;
- Set out specific proposed plans for several years ahead to achieve stated objectives; and
- Permit better control over programs and budgets by strengthening measurement and analysis of program performance in relation to costs.

PROGRESS UNDER THE PLANNING-PROGRAMING-BUDGETING SYSTEM

While the impact of PPB is still of modest proportions in the civilian agencies, its effects are becoming evident.

- Most major agencies have created a PPB System to carry out the President's directive. Many of these agencies have dedicated staff resources specifically to the PPB process.
- These agencies, with only a few exceptions, have established end purpose-oriented PPB program structures, as illustrated in the tables, enabling them to classify their funds by major program categories and subcategories. These program structures were used, in varying degrees, in the decisionmaking process leading to the budgets for 1968, 1969, and 1970.
- Major program issues are being identified in advance of the time when budget decisions have to be made and subjected to systematic analysis.
- The introduction of PPB has provided an impetus toward increased use of formal analysis in the decisionmaking process. The development and consideration of alternatives has been