

EDO Principal Correspondence Control

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FINAL REPLY:

President George Bush

TO:

Agency Heads

FOR SIGNATURE OF :

** GRN **

CRC NO: 01-0363

DESC:

Implementing Government Reform

ROUTING:

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DATE: 07/19/01

ASSIGNED TO:

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SPECIAL INSTRUCTIONS OR REMARKS:

For Appropriate Action.

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AUTHOR: GEORGE BUSH

AFFILIATION: WH

ADDRESSEE: AGENCY HEADS

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ACTION: Appropriate

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THE WHITE HOUSE

WASHINGTON

July 11, 2001

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Implementing Government Reform

Throughout the campaign and in my Budget, I have called for "active, but limited" Government: one that empowers States, cities, and citizens to make decisions; ensures results through accountability; and promotes innovation through competition. Thus, if reform is to help the Federal Government adapt to a rapidly changing world, its primary objectives must be a Government that is:

- Citizen-centered -- not bureaucracy centered;
- Results-oriented -- not process-oriented; and
- Market-based -- actively promoting, not stifling, innovation and competition.

In order to establish and implement Government reform throughout the executive branch, I hereby direct the following:

1. Establish Chief Operating Officers.

Each agency head shall designate a Chief Operating Officer, who shall be the senior official with agency-wide authority on behalf of the Secretary or agency head. The Chief Operating Officer, the equivalent of the Deputy Secretary, shall report directly to the agency head and shall be responsible for:

- (a) implementing the President's and agency head's goals and the agency's mission;
- (b) providing overall organization management to improve agency performance;
- (c) assisting the agency head in promoting Government reform, developing strategic plans, and measuring results; and

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- (d) overseeing agency-specific efforts to integrate performance and budgeting, expand competitive sourcing, strengthen their workforce, improve financial management, advance e-government, apply information policy and technology policies, and other Government-wide management reforms.

2. Implement Additional Agency Reforms.

Each agency head shall identify and implement additional changes within the agency that will promote the principles of government reform.

3. Establishment of President's Management Council.

In order to advise and assist the President in ensuring that Government reform is implemented throughout the executive branch, I hereby establish the President's Management Council ("Council"). The Council shall comprise:

- (a) The Deputy Director, Office of Management and Budget;
- (b) The Chief Operating Officers from the following agencies:
 - (1) Department of State;
 - (2) Department of the Treasury;
 - (3) Department of Defense;
 - (4) Department of Justice;
 - (5) Department of the Interior;
 - (6) Department of Agriculture;
 - (7) Department of Commerce;
 - (8) Department of Labor;
 - (9) Department of Health and Human Services;
 - (10) Department of Housing and Urban Development;
 - (11) Department of Transportation;
 - (12) Department of Energy;

- (13) Department of Education; and
- (14) Department of Veterans Affairs.
- (c) The following central management agency representatives:
 - (1) Director of the Office of Personnel Management;
 - (2) Administrator of General Services;
- (d) Chief Operating Officers of the following agencies:
 - (1) Environmental Protection Agency;
 - (2) National Aeronautics and Space Administration;
 - (3) National Science Foundation;
 - (4) Social Security Administration; and
 - (5) Federal Emergency Management Agency.
- (e) Chief Operating Officers of three other executive branch agencies designated by the Chairperson, in his or her discretion;
- (f) Assistant to the President and Cabinet Secretary;
- (g) Deputy Assistant to the President for Management and Administration; and
- (h) Deputy Chief of Staff to the Vice President; and
- (i) Such other officials of the executive departments and agencies as the Director of the Office of Management and Budget or I may, from time to time, designate.

The Deputy Director of the Office of Management and Budget shall serve as Chairperson of the Council. The Chairperson of the Council may appoint a Vice-Chairperson from the Council's membership to assist the Chairperson in conducting affairs of the Council.

The functions of the Council shall include, among others:

- (a) improving overall executive branch management, including implementation of the President's Management Agenda;

- (b) coordinating management-related efforts to improve Government throughout the executive branch and, as necessary, resolving specific interagency management issues;
- (c) ensuring the adoption of new management practices in agencies throughout the executive branch; and
- (d) identifying examples of, and providing mechanisms for, interagency exchange of information about best management practices.

The Council shall seek advice and information as appropriate from nonmember Federal agencies, particularly smaller agencies. The Council shall also consider the management reform experience of corporations, nonprofit organizations, State and local governments, Government employees, public sector unions, and customers of Government services.

Agencies shall cooperate with the Council and provide such assistance, information, and advice to the Council as the Council may request, to the extent permitted by law.

4. Independent Agencies.

Independent agencies are requested to comply with this memorandum.

5. Revocation and Judicial Review.

- (a) the memorandum of October 1, 1993, entitled "Implementing Management Reform in the Executive Branch" is revoked.
- (b) this memorandum is for the internal management of the executive branch and does not create any right or benefit, substantive or procedural, enforceable by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

6. Publication.

The Director of the Office of Management and Budget is authorized and directed to publish this memorandum in the Federal Register.

