6. BUILDING AND USING EVIDENCE TO IMPROVE GOVERNMENT EFFECTIVENESS

This Administration is committed to results-driven government that improves mission delivery and directs taxpayer dollars to the most effective and efficient uses. Bringing evidence to bear in decision-making is a critical component of good government. Agencies should integrate quality evidence from rigorous program evaluations, monitoring activities, and other studies and analyses into budget, management, programmatic, regulatory, and policy decisions. Doing so requires the infrastructure and commitment to credibly build and use evidence, and to develop a culture of learning and continuous improvement. The recently enacted Foundations for Evidence-Based Policymaking Act of 2018 (hereafter known as the Evidence Act) reinforces the importance of evidence-based decision-making and requires agencies to undertake activities toward this end.

Evidence is a critical tool that allows agencies to continually learn and improve. Strong evidence about policies and programs should be acted upon, suggestive evidence should be considered, and where evidence is absent, it should be built to enable better decisions in the future. However, in many policy domains, agencies lack information - or access to information - that could help them learn from and improve policies and programs to better serve the American people. Further, current capacity in Federal agencies to build and use evidence varies widely. Agencies need stronger practices that generate more evidence about what works and what needs improvement in order to inform mission-critical decisions and policies. Several requirements of the Evidence Act will help agencies to strengthen their evidence capacity and practices.

Underlying successful efforts to build and use evidence is an agency culture that promotes and values learning. An agency with a robust culture of learning continually asks questions about how the agency's activities, programs, and processes are functioning and, importantly, how the agency can improve in these areas. In practice, this means that evidence-building and data-driven decision-making are incorporated into agency processes, rather than seen as separate activities. Strategically aligning evidence activities with core agency functions allows agencies to systematically ensure that evidence is available when and where it is needed. It also means that program evaluation and other evidence-building functions are included in program and policy design from the beginning, rather than as an afterthought.

Evidence-Building Strategies to Learn and Improve

Federal agencies have implemented a number of strategies to build evidence to learn and improve. Recently, there have been efforts to elevate and spread the adoption of these strategies, including the Evidence Act and a proposal to strengthen Federal evaluation in OMB's plan[1] to reform and reorganize government. Both include designating an Evaluation Officer and creating a multi-year learning agenda, and with the enactment of the Evidence Act, agencies will now be required to adopt these and other strategies. These strategies will enhance agencies' ability to conduct program evaluations and other evidence-building activities in service of more effective agency functions and programs.

It is important that agencies build a portfolio of evidence in a particular area and not rely on a single study to make high-stakes decisions. A portfolio can and should include many different types of evidence, including results from program evaluations, policy analyses, performance measurements, and statistical analyses.[2] The questions of interest should serve as the starting point for building evidence; once questions are identified, then the appropriate methods should be selected to answer those questions (i.e., do not first pick a method of interest then search for a question that can be answered using that method). Once methods are identified, a study should then be designed to answer the questions of interest in the most rigorous manner possible that is both appropriate for those questions and feasible within budget and other constraints.

Designating an Evaluation Officer: An Evaluation Officer strengthens an agency's capacity to build evidence by providing strategic leadership around evaluation and other evidence-building strategies across the agency. Several agencies already have senior evaluation officials—individuals with professional experience and technical expertise in evaluation, who lead evaluation activities across the agency—in place. These senior officials often reside in a centralized evaluation office within the agency and are responsible for playing a leading role in overseeing the agency's evaluation activities, learning agenda, and information reported to OMB on evidence, as well as contributing to other evidence-building functions. Examples include the Deputy Assistant Secretary for Planning, Research and Evaluation in the Administration for Children and Families (ACF) at the Department of Health and Human Services (HHS) and Deputy Assistant Secretary for Research, Evaluation, and Monitoring in the Office of Policy Development and Research in the Department of Housing and Urban Development (HUD). With the enactment of the Evidence Act, agencies that do not have this position will now need to designate a senior official to coordinate and lead their evaluation efforts.

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[1] *https://www.whitehouse.gov/wp-content/uploads/2018/06/Government-Reform-and-Reorg-Plan.pdf*

[2] "Evidence" in the Evidence Act is defined as "information produced as a result of statistical activities for a statistical purpose" and thus, includes evaluation, statistics, research, and policy analysis.

Developing and Using Multi-Year Learning Agendas: Under the Evidence Act, Evaluation Officers play an important role in coordinating the development and implementation of a multi-year learning agenda to strategically plan and prioritize learning. Multi-year learning agendas allow agencies to systematically identify and address short- and long-term policy questions relevant to the programs, policies, and regulations of an agency. They include important questions about the agency's operations such as human resources, grant-making, and internal processes, as well as strategic questions about how the agency meets its mission, including how programs, policies, and regulations function individually and in combination. The Evidence Act requires agencies to develop an agency evidence-building plan (i.e., learning agenda) that includes the policy-relevant questions the agency seeks to answer, the data needed to do so, and the challenges to developing evidence to support policymaking. Several agencies already have these activities underway. For example, the Small Business Administration (SBA) has a centralized program evaluation function and five-year enterprise learning agenda to strategically incorporate evidence across the agency's functions. The SBA's enterprise learning agenda aligns with the agency's strategic goals and prioritizes those evaluations that could provide insights into program effectiveness or progress towards desired outcomes, or test pilot initiatives or program adjustments. Other agencies are more nascent in developing and implementing learning agendas, and are focusing their learning agendas in key areas as they implement this practice across the agency. For example, the National Science Foundation (NSF), U.S. Agency for International Development (USAID), and the Administration on Community Living (ACL) in HHS are all either expanding their practices to develop a learning agenda for the agency or developing a learning agenda for an agency component.

Leveraging Partners: Agencies with a strong culture of learning leverage partnerships both external and internal to the government to further their missions. For example, the Office of the Assistant Secretary for Planning and Evaluation (ASPE) at HHS has a Learning Exchange that exemplifies an effective partnership between a Federal agency and an academic institution, the University of Wisconsin-Madison. As part of the National Poverty Center, this partnership allows HHS to flexibly and quickly address agency and Administration priorities within the context of longer-term research and policy development; benefit from new academic findings; forge cross-sector, policy-researcher collaborations; engage a broader range of outside experts and stakeholders; and disseminate information and tools across Federal agencies. At the Department of Veterans Affairs (VA), the Quality Enhancement Research Initiative (QUERI), an effort to increase the use of evidence-based practices in routine care for veterans, relies on relationships with VA operational partners and a large network of external partners to meet its mission. For example, its National Partnered Evaluations program allows QUERI to partner with other parts of VA to conduct high-quality evaluations of specific initiatives that have the potential for large impacts on national VA policy, including the Center

for Access Policy, Evaluation and Research, which will rigorously evaluate clinic operations to assess patient access, a top priority for the VA. Finally, the Census Bureau's Data Linkage Infrastructure enables access to several Federal and Federally-sponsored high-value datasets and linked data for qualified researchers. For example, HUD and Census have partnered to make data from HUD's Moving to Opportunity Demonstration and the Family Options Study available to qualified researchers and more readily matched with other administrative data through Census' Data Linkage Infrastructure. This particular partnership enables qualified researchers to build evidence from these two large experiments, while Census' broader Infrastructure allows this type of evidence-building across several topical areas.

Evaluation as a Tool to Learn and Improve

Program evaluation is an important piece of the evidence-building enterprise and can answer essential questions regarding program effectiveness and efficiency that cannot be answered through performance measurement and monitoring, statistics, or policy analysis. Evaluation is a valuable tool for learning what works in order to focus limited funding on effective programs, discontinue programs that fall short of desired results, and identify ways to improve mandatory programs. Evaluation findings can promote effective and efficient use of taxpayer dollars. For example, a decade of rigorous evaluations of HHS' Maternal, Infant, and Early Childhood Home Visiting Program (MIECHV) demonstrated positive impacts and future savings that warranted scaling it up. In contrast, Project D.A.R.E., a substance abuse prevention program for adolescents, lost all Federal funding following several high-quality evaluations that determined the program was ineffective and in some cases had negative effects.

Investing in Evaluation: Evaluation is an investment that complements resources spent on direct program administration and should be considered an integral part of sound program management. However, building evaluation into program design in order to test outcomes and impacts is currently the exception rather than the rule. We must increase the capacity of Federal agencies to conduct evaluation and fill a critical gap in the Federal Government's ability to generate evidence about which programs work, how they work, and how we can improve them. While there may be initial discomfort in allocating resources to evaluation, these expenditures are critical investments. For example, the Temporary Assistance for Needy Families (TANF) program sets aside 0.33% of funding for evaluation, and the Every Student Succeeds Act (ESSA) allows the Department of Education (ED) to set aside up to 0.5% of funding from most ESSA programs for evaluation. The Budget includes a new proposal to set aside 0.5% of funding of Higher Education Act programs, aside from Pell Grants and Student Aid Administration, for rigorous evaluations. The Budget carries over prior proposals to designate up to three percent of Office of Justice Programs funding for research, evaluation, or statistical purposes at the Department of Justice (DOJ). To support program evaluation in areas lacking evidence, the Budget proposes

the Department of Homeland Security Federal Emergency Management Agency use up to one percent of the appropriations for the State Homeland Security Grant Program (SHSGP) and Urban Area Security Initiative (UASI) Grant Program to support evaluations of these programs.

The Budget also includes proposals to capitalize on practices that optimize the use of evaluation funds. For HUD, the Budget includes a prior enacted general provision allowing HUD to deobligate and then reobligate unexpended funds (in the same fiscal year or the subsequent fiscal year) at the completion of a contract, grant, or cooperative agreement for research, evaluation, or statistical purposes. The Budget also proposes this and other flexibilities for certain statistical and evaluation units at the Departments of Labor (DOL) and HHS, to give agencies the ability to make full use of these funds and spend funds over longer periods of time. A more detailed discussion on funding flexibility options is included in the 2019 President's Budget, *Analytical Perspectives* Chapter 6

randomized controlled trial in four states that will inform future state implementation of RESEA.

Many of the evaluations that the Office of Evaluation Sciences (OES) at the General Services Administration has undertaken with agency partners utilize this idea of multi-arm trials to test different strategies. For example, SSA identified over four million individuals who were potentially eligible for Supplemental Security Income (SSI), a monthly means-tested cash payment to people who have low income and assets and are disabled, blind, or age 65 or older. OES designed an evaluation to test how different approaches to targeted outreach increased uptake of SSI among eligible individuals, in which individuals were randomly assigned to receive one of four variations of an outreach letter or to a control condition. Nine months after the intervention, the letters increased SSI awards by 340%, and including information in the letter about the maximum SSI benefit boosted applications most significantly. Similarly, OES worked with ED's Office of Federal Student Aid to develop an email outreach program to contact borrowers nearing their recertification dates who would see an increased monthly payment if they did not recertify their income. Nearly 300,000 eligible borrowers were divided into three cohorts and then randomly assigned to be sent one of three different email approaches that utilized individual or average payment increase comparisons, follow up emails, and inclusion of signatures. Including borrowers' actual payment increase was most effective at getting borrowers to recertify for income-driven repayment plans, resulting in an 8.4% increase. Both of these examples highlight the ability to embed multi-arm, quicker, low-cost evaluations into existing implementation efforts, and demonstrate the potential to learn from these types of evaluations.

Evaluation and Performance Measurement: In addition to evaluation, performance measurement is another tool available to help policymakers and program managers develop systematic evidence, understand how well policies and programs are working, and identify possible improvements. Both evaluation and performance measurement generate information that help build a portfolio of evidence, serve as methods for systematic assessment, and aim to facilitate learning and improve results of government activities. At the same time, there are important differences between the two methods that dictate what each can tell us about programs and policies. Performance measurement is the ongoing collection, monitoring, reviewing, and reporting of data on pre-selected measures related to level and type of activities, products and services delivered, and outcomes of activities. In contrast, evaluation is systematic study to examine how well all or part of a program, intervention, policy, regulation, or other government activity is working. Performance measurement tracks progress toward pre-established goals and targets, helps determine whether an activity is achieving its stated output/outcome objectives, and serves as an early alert system in the case of significant changes in operations. Evaluation is intended to assess the effectiveness of a program, intervention, policy, or regulation, compared with its absence or with one or more alternative approaches; establish a causal relation-

ship between an activity and the outcomes experienced by those affected by it; and/or address questions about implementation, variations in effectiveness across different settings or populations, and contextual factors.

While the two approaches answer different types of questions and are often undertaken separately, collaboration between performance measurement and evaluation teams can lead to stronger evidence-building overall. The two methods can work hand in hand in the following ways:

- Performance measurement can help identify priority questions to be addressed by evaluations, informing decisions about allocating evaluation resources;

- Evaluation findings can clarify which indicators are predictive of an activity's success and should be tracked in performance measurement;

- Performance measurement can identify outliers in performance (either poor or strong) that warrant evaluation,while evaluation can provide context and potential explanations for variation over time or across sites revealed by performance measurement;

- When performance measures suggest that many participants in a program experience a certain outcome, evaluation can confirm or refute whether that is directly attributable to the program by comparing outcomes seen in a control or comparison group when possible; and

- Performance measurement can suggest to evaluators what types of indicators are important to program operators and thus might be useful to include in selecting evaluation measures.

Harnessing Data for Learning and Improvement

An agency with a strong culture of learning recognizes the value of data as a strategic asset. The President's Management Agenda[4] released in 2018 includes a Cross-Agency Priority (CAP) Goal to leverage data as a strategic asset. Part of this CAP Goal includes the creation of a Federal Data Strategy[5], a coordinated and integrated approach to using data to deliver on mission, serve the public, and steward resources while respecting privacy and confidentiality. The Federal Data Strategy will define principles, practices, and an action plan to support a consistent approach to Federal data stewardship, use, and access. The Data Strategy will, among other topics, address the use of data for evidence-building. Its Year 1 Action Plan will include agency and government-wide actions that begin to implement some of the requirements in the Evidence Act.

Beyond the Federal Data Strategy, agencies are also undertaking a number of other efforts to better leverage existing data for evidence-building, including increasing access to high-value datasets and strengthening other data sources. Through its TANF Data Innovation Project, ACF has launched a nationwide effort to support state and local TANF agencies to more effectively use their administrative

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[4] *https://www.performance.gov/PMA/PMA.html*

[5] *https://strategy.data.gov/*

data to support program improvement and build evidence, including improving data quality and building staff capacity to use existing data. The Department of Agriculture (USDA) is also exploring innovative and efficient ways to evaluate the impact of its rural development programs using administrative data. For example, a pilot project to evaluate business and industry loan guarantees documented that more could be done to evaluate the program using administrative data and other pre-existing data sources. The Budget also includes a proposal to leverage data already collected by Federal agencies to administer ED student aid programs more efficiently, improve the government and public understanding of student loan program costs, and reduce student loan delinquency and default by providing ED with access to tax data, while ensuring the privacy of individuals.

Efforts to maximize the use of existing data and ongoing data collections also extend to how the Federal Government oversees and awards grants. The CAP Goal of Results-Oriented Accountability for Grants pushes grants administration to go beyond asking questions of whether and how grantees spend grant funds and, instead, consider how well grantees serve their participants and communities and ultimately use that information to inform taxpayers about what has been achieved. The long-term vision is to shift the paradigm in grants management to a balance between compliance and performance, while reducing burden.

Addressing Statutory Barriers to Data Access: Efforts described above and others being taken administratively by OMB and Federal agencies aim to better capitalize on the power of data. The Evidence Act includes provisions that begin to address statutory barriers to data use, but further barriers will remain unless Congress takes additional action. For example, the Budget includes a set of proposals [see Addendum] that would require changes to statute to expand access to valuable employment and earnings data—the National Directory of New Hires (NDNH)—for evidence-building and program integrity purposes, while ensuring privacy and security safeguards. NDNH is a national database of wage and employment information reported by each state, authorized in Sec. 453 of Social Security Act of 1996. The system was originally designed to help state and Federal agencies locate non-custodial parents to establish and enforce child support orders, particularly across state jurisdictions. For privacy and security reasons, these authorizations clearly specify the entity that may access the data and/or the purpose for which the data may be used. For example, HHS has used NDNH data to conduct evaluations that inform ACF's policies, and HUD's statutory access to NDNH has helped to reduce its improper payment rate on means-tested rental assistance programs. If Congress takes action to grant NDNH access for evidence-building and program integrity, this would eliminate duplicative efforts to collect the same employment and earnings data already in NDNH and improve government efficiencies.

NDNH Access for Evidence-Building: The Budget proposal includes statutory access to NDNH for units within Federal agencies that conduct research, statistical activities, evaluation, and/or performance measurement that would otherwise require costly surveys, state-by-state memoranda of understanding, or other agreements to obtain the same data contained in NDNH. For example, the proposal would enable DOL and ED to use NDNH data to conduct program evaluations of employment and training programs. The proposal would also enable data linkages across states and programs, with strict privacy and security safeguards in place.

NDNH Access for Program Integrity: The NDNH access proposals also include good government provisions to enable efficiencies for program integrity and eligibility verification, while ensuring data privacy and security. The Budget proposals would enable the Department of the Treasury's Do Not Pay Business Center to access NDNH and to assist agencies to reduce improper payments. The proposals also allow using NDNH to establish disability benefit eligibility for the Railroad Retirement Board in a more efficient manner, and to enhance integrity of HHS' Centers for Medicare & Medicaid Services programs.

Promoting Transparency and Accountability in Federal Evidence-Building

In an agency that uses evidence to learn and improve, transparency and accountability, both within and outside of the agency, are important. Transparency and accountability support sound stewardship of Federal funds as well as scientific integrity and allow the American public to have confidence in agencies' evidence-building activities. Agencies take a number of approaches to promote transparency and accountability in evidence-building. For example, several agencies, including the Department of State, DOL, ACL, and USAID, have published formal Evaluation Policies, which lay out the principles to which the agency will adhere while conducting evaluations, such as rigor, relevance, independence, ethics, and transparency. Many agencies' Evaluation Policies discuss requirements to publicly release evaluation results regardless of findings in an accessible format that includes full information about the study. The Evidence Act includes a requirement that agencies' Evaluation Officers establish and implement an agency evaluation policy. The Act also promotes accountability in Federal statistics by codifying the responsibilities of statistical agencies to conduct credible, accurate, and objective statistical activities while protecting confidentiality.

As part of their Evaluation Policies, several agencies state that analysis plans articulating how an evaluation's data will be analyzed will be released publicly before any analyses are undertaken. Some agencies go beyond publication of evaluation designs and/or analysis plans and require that evaluation studies be pre-registered with an internal or independent registry. Pre-registration allows agencies to state their hypotheses, primary research questions, and analysis plans in advance before data are analyzed, in order to ensure studies are reliable and can be replicated, that methods are sufficiently documented, and that agencies are committed to publishing results. For example, the Office of Planning, Research and Evaluation in ACF includes language in its evaluation contracts that

requires contractors to pre-register studies on an appropriate public registry before data collection begins.

Learning agendas also offer an opportunity for agencies to increase transparency about their evaluation and evidence activities. Agencies that currently use a learning agenda typically have public components of those learning agendas. Publishing learning agendas allows agencies to ensure external stakeholders, including the public, are aware of and can inform the agency's priority questions and planned approaches to answering them. It also holds the agency accountable to answer those questions. Importantly, publishing learning agendas also allows agencies to identify those priority questions that they may not be able to address and highlight areas where external stakeholders may be able to contribute through data sharing or formal partnerships. For example, both HUD and SBA post their learning agendas in full on their respective agency websites. Included in the Evidence Act is a requirement that agencies leverage learning agendas to create annual evaluation plans, which outline the significant evaluations that the agency intends to undertake in the upcoming year, including the key research questions to be answered and anticipated data collections. These evaluation plans will tie directly to an agency's learning agenda and document the evaluation activities that agencies have planned to answer the questions laid out in their learning agendas. While some agencies already develop evaluation plans for internal use, these new requirements will allow agencies to publicly identify their evaluation priorities, which supports greater accountability and transparency.

Still other agencies promote transparency by ensuring that data are available for further analysis whenever possible. For example, the Millennium Challenge Corporation (MCC) makes decisions on public release of information based on a presumption of disclosure. MCC's decisions are guided by its Open Government Plan, Policy on Access to Information and Materials, and Disclosure Review Board. MCC's default position is to share information and materials, including programmatic and survey data, with the public whenever there is no clear reason not to. MCC has employed a purposeful strategy to ensure public access to

evaluation results and evaluation data, subject to protection of participants.

As part of implementation of the Foreign Aid Transparency and Accountability Act (FATAA), agencies that administer foreign assistance as defined in OMB Bulletin 12-01[6] should adhere to guidelines for monitoring, evaluation, and reporting on the performance of U.S. foreign assistance. The monitoring and evaluation guidelines[7] issued by OMB in January 2018 include transparency as a key principle, and contain the requirement that evaluation findings be shared publicly. The guidance also requires agencies to develop a clearinghouse capacity for the collection, dissemination, and preservation of knowledge and lessons learned, and specifically notes that "agencies should make information on program plans, monitoring data, and evaluation findings available to the public, other foreign assistance agencies, implementing partners, the donor community and aid recipient governments."

Conclusion

Although some agencies and bureaus/components have been engaging in evidence-building activities for many years, there are still many policy areas and programs for which we do not have sufficient evidence. Implementing the Foundations for Evidence-Based Policymaking Act offers a unique opportunity to strengthen how agencies build evidence and enhance their capacity to conduct evaluations. Consistent use of evidence—and a commitment to building evidence where it is lacking—requires a culture of learning, leadership support, staff with appropriate technical expertise, data infrastructure and access, and the integration of evidence-building and analysis into program and policy design from the start. We must continue to build comprehensive portfolios of evidence across the Federal Government in order to learn what is working and where to improve. Doing so allows us to more effectively serve the American people.

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[6] *https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/bulletins/2012/b12-01.pdf*

[7] *https://www.whitehouse.gov/wp-content/uploads/2017/11/M-18-04-Final.pdf*

Addendum: 2020 Budget Proposals to Expand NDNH Access

The Budget includes the following proposals to expand access to NDNH in statute for program integrity and evidence-building purposes.

The proposal also includes penalties for unauthorized access, use, disclosure, or re-disclosure of personally identifiable information; clear specification of each authorized

purpose; a requirement that the minimum data necessary be accessed; and satisfies criteria for when authority to access NDNH data should be considered. Finally, the package also requires HHS to review each agency's security position before they allow that agency to access the data and requires public reporting on the use of NDNH.

Table 6–1.   NDNH ACCESS PROPOSALS

Agency	Planned Purpose
PROGRAM INTEGRITY PROPOSALS	
Treasury/DNP	Allow Treasury's Do Not Pay (DNP) Business Center to serve as a pass-through between NDNH and Federal agency programs that are authorized NDNH access for improper payment purposes.
Railroad Retirement Board	Establish eligibility for processing disability benefits in a more efficient manner.
HHS/CMS	Allow access to NDNH for HHS' Centers for Medicare & Medicaid Services (CMS) program integrity purposes.
EVIDENCE-BUILDING PROPOSALS	
Multiple/Statistical and Evaluation Access	Grant access to NDNH for Federal statistical agencies, units, and evaluation offices or their designees for statistical, research, evaluation, and performance measurement purposes.
State Agencies/Workforce Programs	Enable state agencies (designated by each governor with workforce program responsibilities) with the authority to match their data with NDNH for program administration, including program oversight and evaluation. Authorize data exchanges between state agencies that administer child support, workforce, and vocational rehabilitation programs. Would simplify state reporting on Workforce Innovation and Opportunity Act performance and evaluation results.