Political Control and the Presidential Spending Power[♣]

One the president's underappreciated powers is the ability to influence the spending of appropriated funds. Despite the importance of post-appropriations spending to Congress, political scientists are just mapping out its contours and strategic importance. In this paper I use new data from the 2014 Survey on the Future of Government Service to describe presidential influence over agency spending, focusing on structural features of agencies as well as political disagreement between presidents and agencies. I find that presidents exert more influence in agencies that implement policies that are presidential priorities, agencies that share the president's views about policy, and agencies designed to be amenable to presidential influence. I conclude with implications for our understanding of the presidency and specifically the large class of purely "executive" powers that inhere in the office and are hard for Congress to constrain because doing so is difficult and often counterproductive.

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Comments welcome

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In 1995 congressional Republicans were hot. They believed that President Clinton had abused his emergency spending powers to take actions in foreign policy they opposed. Since 1993, President Clinton had spent more than $250 million and had done so controversially to occupy Haiti and provide oil to North Korea as part of a nuclear agreement. Existing law provided Clinton access to spending through emergency waivers if the president deemed the spending "important" to American security interests, necessary to respond to "unanticipated contingencies," or for "any emergency or extraordinary expense which cannot be anticipated or classified."[1] Republicans charged that the only "emergency" in these cases was that the president did not want to ask Congress for the funds because they might not assent.[2]

The case of President Clinton and the Republican Congress illustrates a general congressional worry that presidents and their appointees use discretion over spending to pursue policy or electoral goals that Congress does not support, often in ways it is hard to observe. During the Obama Administration, for example, Rep. John Culberson (R-TX) worried that revelations that the National Weather Service had illegally shifted funds among accounts to cover shortfalls in its basic weather forecasting "was just the tip of the iceberg."[3] Culberson was concerned that the revelations were indicative of abuse of spending discretion throughout the Department of Commerce. One former Appropriations Committee staffer wrote about the case, "At some level, all agencies routinely move funds around within accounts as needs shift, and as a matter of sound budgeting. Much of this takes place without the knowledge of appropriators, or

[1] Matthews, Mark. 1995. "President's foreign spending targeted." *Baltimore Sun*, January 21, 1995 (http://articles.baltimoresun.com/1995-01-21/news/1995021022_1_haiti-spending-power-foreign-policy, accessed December 22, 2015).

[2] President Clinton and the Republican Congress also clashed over President Clinton's funding of U.S. involvement in Bosnia (Banks and Straussman 1999). For a related controversy in the Obama Administration see Harte, Julia. 2014. "A long-term blank for 'war' spending." *Yahoo News* (originally printed on Center for Public Integrity website), December 11, 2014 (http://news.yahoo.com/long-term-blank-check-war-021500176.html, accessed December 21, 2015).

[3] Rein, Lisa. 2012. "NOAA chief cites management 'failure' in NWS financial scandal," *Washington Post*, June 21, 2012 (https://www.washingtonpost.com/politics/noaa-chief-cites-management-failure-in-nws-financial-scandal/2012/06/21/gJQAvQ4ltV_story.html, accessed December 21, 2015).

even high level agency officials."[4] Investigators only learned about the National Weather Service decisions from an anonymous tip on an agency hotline.

Despite the importance of post-appropriations spending to Congress, political scientists are just mapping out its contours and strategic importance. One budget scholar described the details of budget execution and spending as the "dark continent" of federal budgeting research.[5] Spending choices and discretion are hard to measure and observe since the constraints on spending are both formal and informal and vary across contexts. Presidency scholars have demonstrated how presidents use their control over federal contracts to advance policy goals and their control over discretionary forms distributive spending (e.g., grants, contracts, disaster declarations) to enhance their reelection prospects and legislative agendas (Gitterman 2013; Berry, Burden and Howell 2010; Hudak 2014; Kriner and Reeves 2015a,b). Yet, the cases of presidential emergency spending and the National Weather Service raise the more general question of whether, where, and how presidents and their appointees influence spending across agencies and types of spending. Are presidents, as these cases suggest, using their post-appropriations discretion to start new programs or provide funds for projects Congress refused to fund or sought to defund or cut?[6]

This paper introduces new data on spending discretion to demonstrate the extent of presidential influence over spending across the executive establishment and explain why presidents have more influence over spending in some agencies than others. Specifically, the

[4] Mrdeza, Michelle. 2012. "Reprogramming Funds: Understanding the Appropriators' Perspective." *GAI on the Hill*. Volume 2 (33) (online: http://gai.georgetown.edu/reprogramming-funds-understanding/, accessed December 21, 2015). See, more generally, Stith 1988, 643.

[5] U.S. Congress. House of Representatives. Committee on the Budget. Task Force on Enforcement, Credit, and Multiyear Budgeting. "Oversight on the Impoundment Control Process." 97th Congress, 2nd Session, March 29, 1982, Testimony of Allen Schick, p. 180.

[6] For example, in 1999 Congress discovered that the Department of Defense officials had moved $2 million in funds for other programs to support work on a missile defense program called Medium Altitude Air Defense (MEADS) that Congress had ordered terminated. They had also initiated a top-secret or "black" program without notifying Congress. See Richter, Paul. 1999. "Cohen defends Pentagon on fund shift." *Los Angeles Times*, July 23, 1999 (http://articles.latimes.com/1999/jul/23/news/mn-58814, accessed December 21, 2015).

2014 Survey on the Future of Government Service included questions asking appointed and career federal executives how much discretion their agencies had over spending and the influence of Congress and the president in spending post-appropriations (Richardson 2015). These new data provide a means of measuring spending discretion across more than 200 agencies. The data reveal significant discretion in spending across agencies post-appropriation but that presidents exert more influence in agencies that are presidential priorities, agencies that share the president's views about policy, and agencies designed to be amenable to presidential influence. I conclude with implications for our understanding of the presidency and specifically the large class of purely "executive" powers that inhere in the office and are hard for Congress to constrain because doing so is difficult and often counterproductive.

This paper makes two contributions. First, it helps illuminate an underappreciated aspect of executive power. Second, it provides a new and innovative means of measuring spending discretion across the executive establishment. The paper proceeds as follows. The first section describes the basics of the spending power and the sources of discretion in spending. The second section explains when and where presidents seek to control spending. The third section introduces the data and measures and the fourth section presents results of models evaluating where presidents try and control spending. The final section discusses the results and draws out implications for our understanding of presidential power.

Legal Sources of Spending Discretion

Federal officials across the executive establishment in the United States have varying amounts of *formal* legal discretion over how to spend the money that has been provided to them by Congress. In the United States no funds may be expended or committed except by appropriations provided by Congress (i.e., appropriations legislation enacted in the same form in both chambers and signed by the president or allowed to become law without his signature after 10 days).[7] The legislative process of providing funds for federal agencies can result in significant discretion for some executive officials that provides presidents and their appointees opportunities to influence public policy through their spending choices. The sources of variation in formal spending discretion include the form of appropriations, the structure of the budget accounts, and the presence or absence of legal details or restrictions on spending in authorizing and appropriating legislation.

Creation of Appropriations Accounts

The form that appropriations legislation takes can differ, notably depending upon whether federal spending is *mandatory* or *discretionary* and whether Congress sought to limit its own ability to meddle in spending decisions. Mandatory spending programs (e.g., entitlements) are those where the federal government is obligated by law to provide funds, often because a commitment to spend is determined by a legislative eligibility determination (e.g., Social Security, Medicare).[8] For example, all persons that meet eligibility requirements (e.g., age, work years) are entitled to Social Security benefits.[9] Most mandatory spending is provided through the operation of trust funds. Congress has created trust funds as a spending mechanism so that program managers may spend assets (including accumulated interest) without additional appropriations from Congress.[10] Trust funds are often supported by automatic *permanent* appropriations that frequently come from dedicated or "earmarked" sources such as Social

[7] Article I, Section 9, Clause 7 says "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time." This restriction is further defined in subsequent legislation, including most notably the Anti-deficiency Act (31 U.S.C. § 1341).
[8] The primary entitlement programs Social Security, Medicare, and Medicaid make more than 70% of mandatory spending excluding interest payments on the national debt (Fay and Rodgers 2008, 3; Levit, Austin, and Stupak 2015).
[9] Other forms of mandatory spending include payment of interest on the national debt.
[10] A significant amount of what I write here about mandatory spending comes from Fay and Rodgers 2008.

Security payroll taxes.[11] Congress has also empowered some agencies to raise and spend funds through a variety of means outside the appropriations process (Lewis and Selin 2012). For example, agencies such as the Federal Reserve and the Securities and Exchange Commission are authorized to cover their operating expenses via fees and charges assessed on regulated parties. Agencies whose funds are provided outside the annual review of congressional appropriators generally have more discretion over spending than other agencies.

The vast majority of federal agencies and programs, however, are funded through the annual appropriations process. Ideally, Congress funds the government through a series of 12 appropriations bills that correspond to 12 topically organized subcommittees of the Appropriations Committees in the House and Senate. Each subcommittee has jurisdiction over one of the 12 bills. Appropriations bills, and their stand-ins (continuing resolutions or supplemental appropriations) when Congress is unable to enact appropriations bills, are organized into paragraphs under subheadings, each reflecting a discrete budget account (Schick 2007, 263; Tollestrup 2014). These budget accounts are the basic units of spending and appropriations legislation usually provides a lump sum for each account. Large departments and agencies are usually funded by several budget accounts while some small agencies are funded from a single account. Whether agencies are funded from one large account or numerous small accounts influences the extent of their spending discretion.

Discretion Among and Within Accounts

Due to the structure of appropriations, the budget accounts themselves can be quite large, in the billions of dollars. The extent of spending discretion within budget accounts is determined

[11] Appropriations bills that contain no mention of timing must be expended within the fiscal year. Congress may also appropriate funds for multiple years or permanently (Schick 2007, 215). For example, some appropriations bills provide funds until a fixed date, e.g., “to remain available until September 30, 2016.” Others may stipulate that funds are “to remain available until expended.” (Schick 2007, 269).

by law and informal norm and practice (Fujitani and Shirck 2005). Formally, spending must be authorized by the legislation creating programs and agencies. No appropriations can be made without that spending having been authorized in statute. Spending can also formally be constrained by additional restrictions placed appropriations language (Fisher 1975; Macdonald 2010; Schick 2007). Language in appropriations bills can specify in more detail how money within the budget account is to be allocated (e.g., of these appropriations, $25 million is to be allocated to the National Weather Service) or simply restrict funds from being used for particular purposes (e.g., none of these appropriations may be used to promulgate a regulation).

More general rules limit the ability of executives to transfer money between numbered accounts, reprogram its specified uses within accounts, or refuse to spend funds appropriated by Congress. Spenders may not shift money from one numbered account to another without statutory authorization.[12] Some agencies, such as the Department of Defense, have limited authority to transfer a percentage of funds among their accounts (Tollestrup 2014, 13). Such authority usually comes with the requirement that the agency notify the appropriate committees in Congress when they do so. Such actions are not easily observable but they are more easily observable than other spending choices since increases or decreases are reflected in different numbered accounts.

Reprogramming funds within accounts is harder to observe since the amount of funds in the numbered accounts is not changing (Schick 2007, 281; Stith 1988, 645). There are neither general rules limiting reprogramming actions nor databases tracking such actions (Fujitani and Schirck 2005; Schick 2007, 281). Different accounts are subject to different rules. Some of the rules are articulated in statute (both authorizing and appropriating legislation) and others in committee reports accompanying this legislation (which do not have the force of law). These

[12] 31 USC §1532 states, "An amount available under law may be withdrawn from one appropriation account and credited to another or to a working fund only when authorized by law."

rules vary from simple limits on the percentage of the appropriated funds that can be reprogrammed without committee notification to requirements for pre- and post-notification of reprogramming actions. In some cases, committees require committee approval for reprogramming actions although the constitutionality of such actions is questionable (*INS v. Chadha, 462 US 919, 1983*).

Effective implementation of federal programs sometimes requires agencies to not spend funds or be strategic about the timing of spending. For example, if Congress has appropriated $4 million for a construction project but the agency can complete the project for $3.5 million, agencies need the discretion not to spend funds. Similarly, it may make sense to withhold spending for a federal program if the persons and processes necessary to implement the program are not yet in place. Yet, the ability to refuse to spend or delay spending can also be a tool of public policy. Congress set the legal rules for such choices in the Impoundment Control Act of 1974. The president may propose to defer spending for a time as long as the deferral does not extend beyond the fiscal year or long enough to allow budget authority to lapse. Each deferral must be accompanied by a message to Congress with the details and justification for the deferral.[13] The Comptroller General reviews each deferral and informs Congress of the accuracy, legality, and impact of the deferrals. Under the act, the president may not refuse to spend funds unless the president proposes a rescission to Congress. Once such a proposal has been made, Congress has 45 days of continuous session to approve to rescind all, a portion, or none of the funds. If Congress fails to act, executive must release the funds.

While the Impoundment Control Act applies to any "action or inaction" that delays or withholds funds, it has been narrowly construed to cover cases where an action stops or delays spending directly. Incidental actions that inhibit or delay spending are generally not covered.

[13] The president is to provide information about the amount, program and account, estimated impacts, and length of the deferral (Schick 2007, 286).

There may be *de facto impoundment* because of the gray area defining the space between prudent financial management and impoundment. For example, an agency may drag its feet hiring enforcement officials and this will have the effect of reducing funds spent on enforcement (Schick 2007, 286). Congress itself, of course, can rescind spending at any time through the enactment of new legislation and such actions can limit the power and authority of presidents and agencies.

The large size of budget accounts and the relatively few statutory restrictions on spending provide executives significant discretion. It is very difficult and often counterproductive for Congress to provide detailed instructions in statute about how funds are to be spent and creative administrative actions can influence the pace and content of federal spending.[14] A fixation on the formal constraints, however, masks real (political) constraints many executives feel (Fujitani and Shirck 2005, 18). Agencies provide significant detail about how they intend to spend appropriations in their budget submissions.[15] Lengthy committee reports accompany legislation elaborate on how committees want appropriations to be used (Tollestrup 2014, 13). These materials, along with committee hearings, interviews, and informal communications among actors in the budget process, create shared understandings about how appropriated funds are to be spent (Fisher 1975, 73; Schick 2007, 270-1). While shared understandings do not have the force of law, violations of these agreements can have serious consequences.[16] Agencies that

[14] Conditions change between when appropriations decisions are made and when spending happens. Costs of goods and services increase, personnel changes, new problems and opportunities emerge and adhering to congressional intent can require deviating from the original spending plans (Schick 2007, 275).

[15] Schick (2007, 270) explains, “Agency budget justifications…normally break down the amount requested by activities and items of expenditure. The appropriations subcommittees generally expect agencies to adhere to their budget justifications to the extent practicable.” See also Fisher 1975, 73.

[16] The Congressional Research Service explains, “In practice, executive agencies may come to informal agreements with appropriations committees and subcommittees to ensure that they allocate funds in a manner consistent with both the text of appropriations and the details contained within reports accompanying appropriations acts.” (Christensen 2012, 7)

abuse their discretion can expect Congress to shackle them with more onerous formal restrictions on spending in the future (Fisher 1975; Schick 2007).[17] Allen Schick (2007, 271) writes,

> The appropriations committees also punish noncompliant agencies by writing tough limitations into the appropriations act, cutting the agency's priority programs, trimming the offending official's staff, issuing more earmarks, or curtailing operating flexibility.

The number of formal restrictions in appropriations bills has increased over the last 50 years along with an increase in spending but this does not mask the fact that most agencies work hard to comply with congressional spending instructions.

Sources of Presidential Influence

Within the context of formal and informal constraints on spending choices, it is worth reviewing the numerous means by which presidents may influence post-appropriations spending. Presidential actions influence how much spending discretion agencies have in the first place and presidents can also influence spending choices post-appropriation through the actions of the Office of Management and Budget and appointees. Presidents and their appointees shape the content of agency budget submissions and agency testimony to Congress about budgets and spending. These materials help determine the amount of funds and the details and specificity of their purposes. Presidents also share responsibility for determining the content of the authorization and appropriations legislation that dictates spending authority. Presidential co-partisans in Congress also help shape the content of committee reports and informal understandings about spending.

[17] Schick (2007, 217) writes, "What gives the appropriations reports special force is not their legal status but the fact that the next appropriations cycle is always less than one year away. An agency that willfully violates report language risks retribution the next time it asks for money. It may find this year's report language relocated to the next appropriations act, thereby giving it even less leeway than it had before."

Once spending decisions have been made and appropriations enacted, the Office of Management and Budget has control over *apportionment* of funds.[18] The Antideficiency Act requires that appropriated funds be made available – i.e., apportioned -- to the relevant agencies and programs in such a way that they will not run out of funds prematurely (Christensen 2012).[19] The Office of Management and Budget maintains authority to determine how funds will be apportioned (Government Accountability Office 2004). For example, a significant portion of appropriated funds are apportioned out in fiscal quarters rather than in a lump sum at the start of the fiscal year. When making apportioning decisions, OMB provides funds to agencies by time period (e.g., quarters), but also by activities, projects, and programs within an account. Once funds are apportioned to the agency, agencies are responsible for allocating and sub-allocating the apportioned funds among programs and activities in accordance with law and less formal understandings about spending.

The power to influence initial budget requests and to give or withhold funds in apportionment provides OMB a means of leverage over agencies (Schick 2007, 277). In the 1970s and 1980s, OMB began adding requirements to agency apportionment requests that, if not fulfilled, would lead OMB to balk at apportioning funds (Tomkin 1998, 187). In addition, OMB began requiring agencies wishing to reprogram funds within accounts to get approval from OMB prior to the reprogramming. OMB also asked agencies giving out politically sensitive grants check in with OMB in advance, a clearance alternately given to OMB or appointees in agencies themselves (Berman 1978; Hudak 2014). More generally, presidential appointees in the agencies receiving the appropriated and apportioned funds, influence the allotment agencies make to

[18] This process is described in OMB Circular A-11 (2015).
[19] 31 USC §1512a. The president is statutorily responsible for apportioning funds to executive agencies and has delegated this responsibility to the Office of Management and Budget (OMB).

bureaus, programs, and activities after apportionment and they make spending choices within these allotments.

When do President's Direct Spending?

Spending is public policy. Agencies make choices about how to allocate funds among programs, tasks, and offices and these choices influence both agency outputs and policy outcomes. For example, agency officials can choose to allocate funds either to hire new personnel for enforcement or new personnel for accounting. These choices have meaningful consequences for the efficacy of enforcement efforts (e.g., how many inspections) or fiscal transparency. Agency leaders may decide to allocate resources to the development of new rules or regulatory "look back" with significant consequences for the scope and content of regulation. Managers also allocate funds to regional offices and among districts and states seeking agency contracts and grants (Hudak 2014).

These decisions are an omnipresent component of agency management across presidential administrations. What managers do with the spending discretion inherent in the executive function is structured by their understanding of the law, their beliefs about the continuing wishes of committees, and their views about what is best for their organization and policy. The bulk of what happens with spending is *not* reviewed by congressional committees or staffs. Voluminous reporting requirements and the annual appropriations process provide committees regular opportunities to learn about agency choices if they choose to. Actors inside and outside the agency, such as inspectors general or interest groups, can also bring spending issues to Congress's attention. So, while agencies have a significant amount of latitude in any given year over spending, deviating too far, too quickly, or too publicly is a risky choice and particularly risky without the backing of the president or his administration (Thompson 1993).[20] In most cases, agencies do what is specified by congressional committees unless there is good reason to deviate, particularly since relationships with members and committees will last longer than any presidential administration. In addition, the president and Congress often agree on spending priorities, even in periods of divided government, since much spending is non-controversial, not all issues divide on party lines, and spending bills are jointly approved.

So, when do presidents pressure agencies to deviate from committee preferences? There are both push and pull factors. From the president's perspective, the federal budget is massive and complex, comprised of more than $3.8 trillion divided into more than 1,000 accounts within more than 200 agencies, each account having its own statutory limitations and specified uses (Schick 2007, 263).[21] The White House has limited time to allocate to influencing spending decisions and they must weigh the political benefit against the difficulty. Even the Office of Management and Budget's intervention is "necessarily selective and limited" (Schick 2007, 276).When making such decisions, some public policies are more important than others. For example, the president's signature public policy initiative during his first term was the Affordable Care Act and the White House was attentive to implementation efforts by the Centers for Medicare and Medicaid Services (HHS), particularly after early failures with the website.[22] Presidents prioritize some areas more than others because of their importance to the president's agenda or in response to failures.

Beyond presidential priorities, some agencies welcome White House involvement as cover to accomplish goals the agency supports. Agencies hew closely to committee intent but

[20] Thompson 1993 includes a nice discussion about the dynamics of outlay budgeting that create incentives for agencies to not deviate too far from what Congress has articulated.
[21] While there are more than 1,000 accounts, 90 percent of the expenditures are included in about 200 accounts (Schick 2007, 263).
[22] Cohen, Tom. 2013. "Rough Obamacare Rollout. 4 Reasons Why." CNNPolitics.com, October 23, 2013 (http://www.cnn.com/2013/10/22/politics/obamacare-website-four-reasons/, accessed December 22, 2015).

they may do so reluctantly, particularly if they believe that Congress is providing too few funds or prioritizing the wrong programs within the agency. The election of a new president provides agencies the opportunity to enlist the administration's support for agency programs, personnel, and priorities that need further investment of resources. Presidents naturally have an affinity for some agencies and programs and not for other based upon their policy commitments, often defined by ideology. The reaction the Environmental Protection Agency or the Department of Defense to a new president will importantly be shaped by the party of the new president and what that president said on the campaign trail about policies important to the agency.[23]

In other cases, agencies resist White House intervention, either due to disagreement with the White House's policy priorities, statutory independence, or competing pressures from Congress. The policy predispositions of federal agencies vary depending upon the policy views of the workforce and the policy leanings of an agency stemming from statutory mandates, professional identity or other aspects agency mission or culture (Bertelli and Grose 2011; Chen and Johnson 2015; Clinton et al. 2012; Clinton and Lewis 2008; Wilson 1989). These predispositions matter because they influence how forthcoming the agency is about spending flexibility and the agency's willingness to refrain from going to Congress with information about the president's efforts. Some agencies are also statutorily insulated from presidential influence by restrictions on the president's ability to select and remove personnel (e.g., fixed term appointments) or review agency policy decisions through centralized management agencies (e.g., review budget submissions). By law and tradition these agencies are less receptive to presidential direction (Lewis 2003; Moe 1989; Selin 2015). Of course, in some cases Congress has given

[23] Agencies themselves have views about policy (Clinton and Lewis 2008; Bertelli and Grose 2011; Chen and Johnson 2015; Clinton et al. 2012). These are embedded in law and regulation and influenced by the tasks of the agency and agencies' unique histories and cultures. These policy preferences are reinforced by the fact that persons self-select to work in agencies based upon their support for agency missions and by the fact that persons working in agencies come to adopt the values and perspectives of their organizations.

explicit spending instructions and is quite attentive to agency choices and this makes agencies reluctant to depart from previous choices.

The dynamics of executive spending suggest that we should see more White House influence in agencies implementing presidential priorities and agencies amenable to presidential influence--agencies that share the president's views about policy and agencies lacking features that insulate them from presidential control.

Data, Variables, and Methods

To describe the extent of presidential influence over spending post-appropriations, I use new data from an online and paper survey of 3,551 appointed and career federal executives from across the executive establishment (Richardson 2015).[24] The survey targeted all components of the executive establishment that were headed by a Senate-confirmed appointee whose functions were not exclusively advisory (Lewis and Selin 2012). Scholarship agencies, regional agencies, and non-profits and cooperatives were also excluded. Within agencies the survey was sent to all political appointees[25], all career members of the Senior Executive Service, U.S. based members of the Senior Foreign Service, and other high level executives that ran programs and agencies.[26]

[24] The survey sample was drawn from the *Federal Yellow Book* and the survey was implemented by the Princeton Survey Research Center. Surveys were sent to 14,698 executives and the response rate was 24 percent, 18 percent for appointees and 25 percent for career executives. Of the 3,551, 586 answered via paper survey and the remainder took the online version.

[25] Specifically, the survey was sent to all Senate-confirmed, other presidential appointees not requiring Senate confirmation, non-career SES, and Schedule C appointees in the instrumentalities of the United States government described in this section.

[26] Among other career executives, the survey was sent to executives comparable to members of the SES in agencies without SES members, program and agency managers at the GS 14, 15 level with specific job functions as listed in the *Federal Yellow Book*.

The survey included a number of questions about the backgrounds, experiences, and political views of federal executives, including questions about spending discretion (Appendix A).[27] At a base level, the survey asked

> How much discretion does [your agency] have over the following aspects of its management environment? Spending decisions after funds have been appropriated by Congress [None, Little, Some, A good bit, A great deal, Don't know]

This provides a useful way of evaluating the hard to observe extent of discretion over spending that results from formal and informal constraints provided in law, reports, and informal understandings. Figure 1 includes average responses by agency for all agencies with at least 30 potential and 5 actual respondents.[28] The results have a number of interesting features. First, the modal response to this question is "A good bit" and sixty-two percent of respondents answer "A good bit" or "A great deal" in response to this question. The agencies with the lowest average responses to this question still generally report "Some" discretion over spending post-appropriations. The top executives in these agencies report a significant amount of discretion in spending after funds have been appropriated. This implies that agency executives themselves or the political branches have the opportunity to influence public policy through their spending choices.

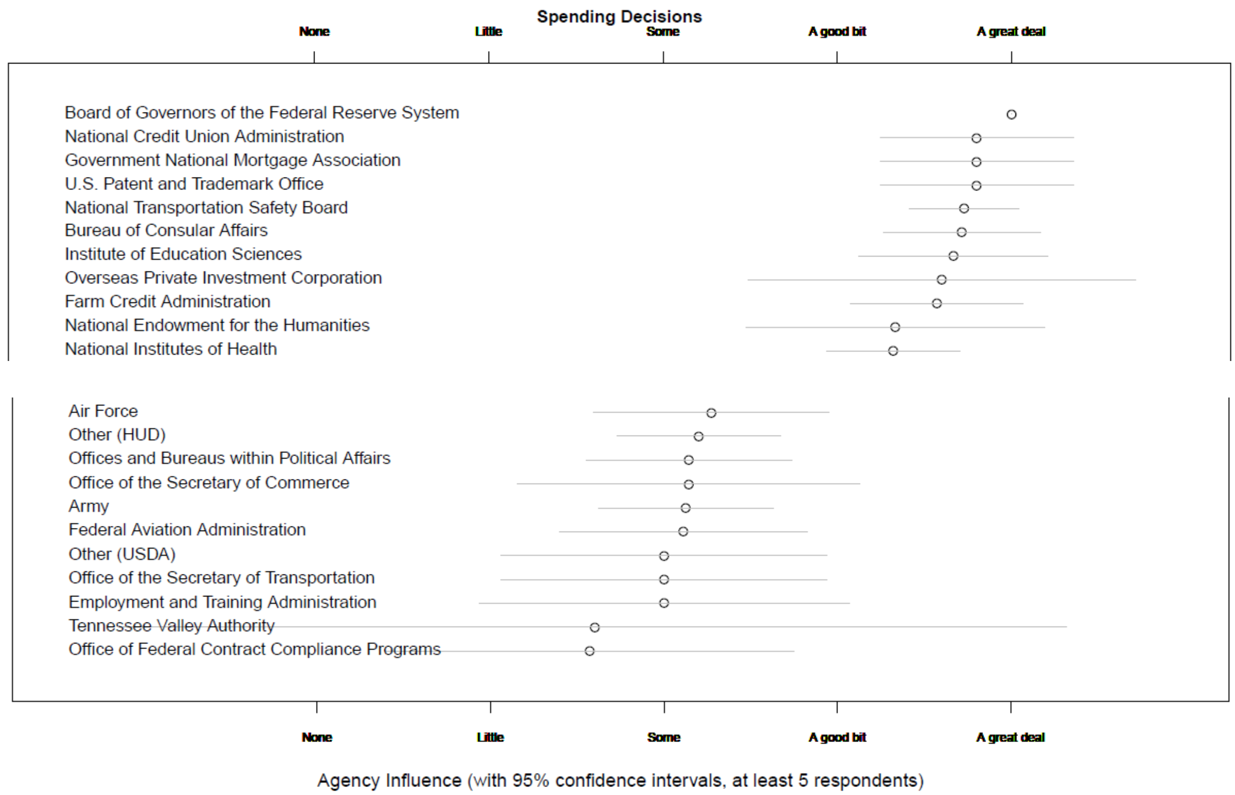
Second, the agencies reporting the greatest discretion over spending include independent agencies or government corporations such as the Federal Reserve, National Credit Union Administration, or Government National Mortgage Association. Interestingly, heavily grant-giving agencies such as the Institute of Education Sciences, National Endowment for the Humanities, and National Institutes of Health are also among those reporting the greatest

[27] The survey includes post-stratification weights created through sample balancing/raking to reduce non-response and non-coverage bias. The characteristics used in weights are whether the respondent worked in Washington, appointee status, and workplace.

[28] See Appendix B for complete agency results.

discretion. Among the agencies reporting the least discretion are two military services, two Cabinet-level offices of the secretary, and some other components of large department that are not large bureaus (e.g., Chief Financial Officer, Chief Technical Officer, small bureau). The offices of the secretary and portions of large departments that are not major bureaus may feel the most constrained in spending because of their interaction with the political branches and the regularity with which they have to compete with large bureaus for funding.

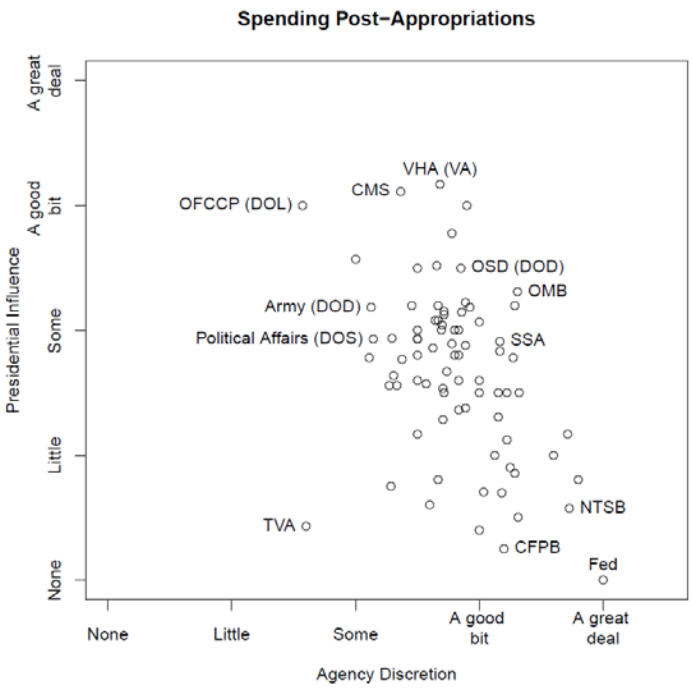
Figure 1. Federal Agency Self-reported Spending Discretion, 2014



Note: Figure includes average responses by agency (for agencies with at least 5 respondents) to the following question, "How much influence does [your agency] have over the following aspects of their management environment? Spending decisions after funds have been appropriated by Congress." Source: Survey on the Future of Government Service (Richardson 2015).

The results in Figure 1 suggest that specific authorizing or appropriating statutes place fewer constraints on spending choices than one might think. What does this imply for the use of that discretion? Do executives stick pretty closely to what congressional committees prefer or do they take directions from the President or White House? After asking about discretion in spending decisions, the survey asks respondents, "How much discretion does the president/White House exert over the following decisions? Spending decisions after funds have been appropriated." Figure 2 includes agency average estimates of responses to this question (y-axis) with responses to the first question (x-axis). Each point in the graph represents an agency average.

Figure 2. Presidential Influence over Spending by Self-reported Spending Discretion, 2014

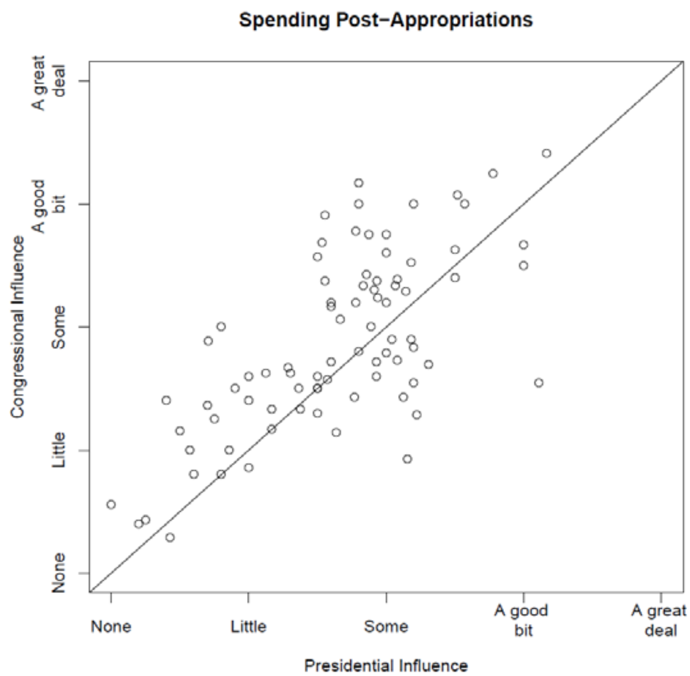


Note: Figure includes average responses by agency (for agencies with at least 5 respondents) to the following questions, "How much influence does [your agency] have over the following aspects of their management environment? Spending decisions after funds have been appropriated by Congress" and "How much direct influence does the president/White House exert over the following decisions in [your agency]? Spending decisions after funds have been appropriated by Congress" Source: Survey on the Future of Government Service (Richardson 2015).

Notable in the figure is how many points are skewed to the right of the graph, indicating that executives report that their agencies have a significant amount of discretion over spending. There is significant variation, however, in how much presidential influence executives reported. Respondents in the Federal Reserve, for example, reported significant control over spending and virtually no presidential influence. This is contrasted with the Veterans Health Administration (VHA), Centers for Medicare and Medicaid Services (CMS), and Office of Federal Contract Compliance (OFCCP). Each of these agencies reported high levels of presidential influence over spending post-appropriations. The VHA was dealing with a scandal involving falsified waitlists in veterans hospitals. The CMS was responsible for implementing the Affordable Care Act. The OFCCP was involved in implementing President Obama's executive order for a minimum wage for contract employees. A quick scan of the figure suggests that agencies that are priorities for the president experience more White House influence while those that are designed to be insulated from the president experience less influence.

Interestingly, respondents that report significant White House influence also report significant congressional influence. Figure 3 includes agency average estimates of responses to the presidential influence question (x-axis) with responses to a comparable question about Congress (y-axis). The fact that the agency averages line up along the 45 degree line suggest that higher values on the x-axis (presidential influence) are correlated with higher values on the y-axis (congressional influence). Agencies that are targets for post-appropriation attention by one branch are often the target for attention by the other branch. This is not a surprise, given that agencies on the president's agenda are also on Congress's agenda, either because their policies are the subject of debate or new legislation or because a scandal or exogenous event has focused attention on the agency. The large number of agencies above the 45 degree line indicates that respondents in most agencies report more congressional influence over spending than presidential influence. This goes counter to popular perceptions about the influence of the president over executive action but is not a surprise to those familiar with the appropriations process and the priority Congress has in funding choices.

Figure 3. Congressional Influence over Spending by Presidential Influence Over Spending, 2014



Note: Figure includes average responses by agency (for agencies with at least 5 respondents) to the following questions, "How much direct influence does the president/White House exert over the following decisions in [your agency]? Spending decisions after funds have been appropriated by Congress" and "How much direct influence does Congress exert over the following decisions in [your agency]? Spending decisions after funds have been appropriated by Congress." Source: Survey on the Future of Government Service (Richardson 2015).

Key Independent Variables

To disentangle the forces that explain presidential influence from congressional influence I estimate models accounting for factors described above. First, I create an indicator for whether or not an agency implements a policy that is a presidential priority in the year of the survey (0,1; 13%). Specifically, I use an article from NPR.org that described the major policy issues in President Obama's State of the Union speech.[29] I then conducted background research on each

[29] To identify 2014 priorities, I used the NPR article shown here (http://www.npr.org/sections/itsallpolitics/2014/01/28/267939585/inside-the-state-of-the-union-what-the-president-proposed, accessed December 21, 2015). This article described the major policy issues and provided some background and context. After this, I did research on each policy area/proposal to identify the agencies involved in implementation. I a variable that identifies specific bureaus/agencies attached to each policy. In each case, I tried to

policy area/proposal and connected each policy issue to primary bureaus or agencies responsible for implementing the policy through rulemaking or enforcement. For example, when the president described efforts to raise the minimum wage for contract employees, this was carried out by the Wage and Hour Division of the Department of Labor. I coded the Wage and Hour Division and Office of the Secretary of Labor with a 1. Among agencies coded as presidential priorities, the average reported presidential influence by agency, which varies from 0 (None) to 4 (A great deal) is 1.90, compared to 1.41 for agencies not listed as a presidential priority. I also created a second version of this variable that accounts for whether or not an agency was involved in a visible public failure during the Obama Administration, using data from Paul Light's work on government failure (0,1; 11%).[30]

I also account for ideological differences among agencies by using estimates of agency ideology. I focus primarily on averages of self-reported partisanship among respondents which vary from 0 (Democrat) to 4 (Republican).[31] In bivariate correlations, there is no difference in the reported influence of presidents on spending based upon the ideology of the agency. I have also estimate models using self-reported respondent ideology and external perceptions of agency ideology generated by Richardson et al. (2015).[32]

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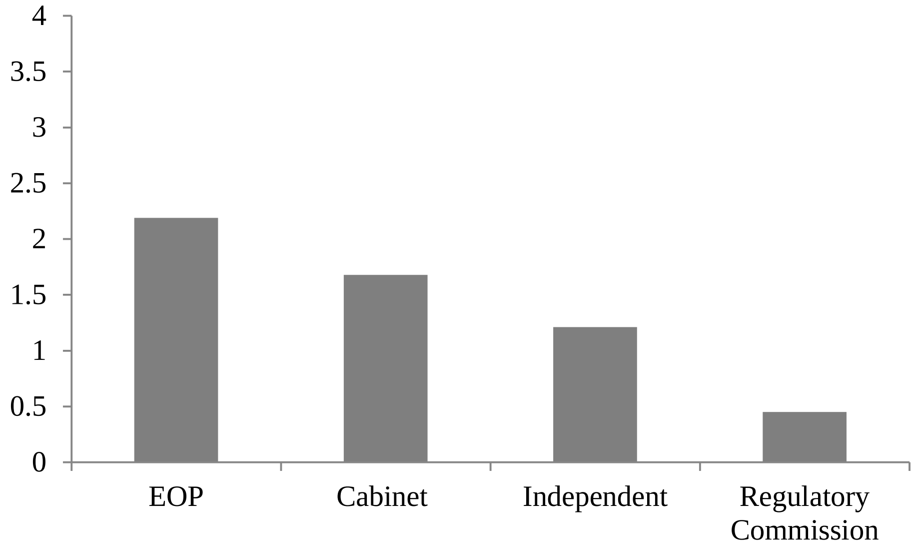
find a helpful source to justify the identification of the agencies. In the case of specific bureaus in larger departments, I also identified the Office of the Secretary as relevant.

[30] See Light, Paul. 2014. "A Cascade of Failures: Why Government Fails, and How to Stop It." Brookings Institution, Center for Effective Public Management, July 2014 (http://www.brookings.edu/~/media/research/files/papers/2014/07/light-cascade-of-failures/light_cascade-of-failures_why-govt-fails.pdf, accessed December 27, 2015). For full details see Appendix D.

[31] I also examine agency averages of self-reported ideology which vary from 0 (Very liberal) to 6 (Very conservative) and agency ideology estimates created by Richardson et al. (2015) which rely on expert evaluations by persons working outside the agencies. These measures are correlated at between 0.57 and 0.81.

[32] These estimates are generated using item-response theory models of expert ratings. In this case survey respondents are the experts rating agencies they work with but not for (Richardson et al. 2015).

Figure 4. Average Reported Presidential Influence over Spending by Agency Type, 2014



Note: Agency average responses to the question "How much direct influence does the president/White House exert over the following decisions in [your agency]? Spending decisions after funds have been appropriated by Congress. [None (0); Little (1); Some (2); A good bit (3); A great deal (4)]" by type of agency. N=245. Source: Survey on the Future of Government Service (Richardson 2015).

To measure differences in agency structure I include a coarse indicator of agency insulation, namely whether or not an agency is an for agencies in the Executive Office of the President (0,1; 3.3%), an executive department (0,1; 70%), or a regulatory commission (0,1; 9.8%). The indicators are rough estimates of the insulation of different federal agencies. Figure 4 includes agency average responses to the question about presidential influence over spending by location of the agency. Not surprisingly, agencies in the EOP and the executive departments report the most presidential influence, followed by independent agencies and independent regulatory commissions. This suggests that presidential efforts to get control of spending are influenced by structural features which insulate them from presidential control, including exclusion from OMB review of budgets, rules, and testimony as well as other factors. For parsimony I include only the regulatory commission indicators in the primary specifications but have estimated the models with all the indicators or Selin's (2015) measures of insulation and the results are similar.[33]

Controls

In what follows I estimate models on agency average responses (i.e., agencies are the unit of analysis) and include a number of agency-specific controls. The models include controls for the number of congressional committees overseeing agency activities since previous work has suggested that presidents have an advantage in policymaking as the number of committees involved in oversight increases (Clinton et al. 2014). Specifically, the survey asks "How many congressional committees would you estimate exercise active oversight of [your agency]? [0 (0), 1-2 (1), 3-4 (2), 5-6 (3), 7-8 (4), 9+ (5)]" The responses range from 0 to 5 and the average agency response is 2.24 (SD 0.81). I control for the natural log of agency as measured by the number of employees (unlogged Mean 10,299; SD 35,645; Min 17; Max 308,049). Models include controls for the proportion of respondents working in Washington, DC (0.82, SD 0.24). Less than 15 percent of federal employees work in the Washington, DC area and where one works may be correlated with perceptions of discretion and agency ideology or priority. I also control for the proportion of an agency's respondents that are appointees (0.18; SD 0.19) and the average years and agency's respondents have been working in the federal government (21.80; SD 6.67) since both features of agency respondents may influence their perceptions of the relative influence of elected officials.

[33] Specifically, the estimates on regulatory commissions continue to be substantively large and estimated precisely and the policy insulation measure of Selin (2015) is substantively large and estimated precisely while I cannot reject the null that the coefficient on Selin's (2015 measure of) personnel insulation is indistinguishable from 0. In these models the other estimates are similar except that in the models using presidential priority the estimates of presidential priority are estimated less precisely. The models using the version of presidential priority that includes agency failures, however, produces estimates that are substantively large and estimated precisely.

Methods

To evaluate the expectations above more fully, I estimate seemingly unrelated regression (SUR) models of presidential influence on spending alongside 1) congressional influence on spending and 2) self-reported agency discretion over spending since the equation errors for these models should be correlated. These models also allow for the evaluation of coefficient estimates across models. Specifically, I estimate models on agency average responses to the survey questions above about spending influence for all agencies that have at least 5 respondents and 30 potential respondents.[34]

Results

Model estimates largely confirm what is evident in the bivariate relationship, namely that average agency responses to the degree of presidential or White House influence increase for agencies implementing policies that are priorities for the president, agencies that share the president's views about policy, and agencies designed to be amenable to presidential influence. Interestingly, agencies reporting greater numbers of committees involved in oversight report more presidential and congressional influence over spending post-appropriations. Agencies that are decentralized also report relatively less White House influence over spending. Full model estimates are included in Table 1. Model 1 includes the simple measure of presidential priority agencies described above. Model 2 employs a measure of presidential priority that also includes agencies with a significant and visible public failure during the Obama Administration.

[34] Simple models estimated via Ordinary Least Squares (OLS) are included in Appendix E.

Table 1. SUR Estimates of Presidential and Congressional Influence over Spending Post-Appropriations, 2014

	Model 1		Model 2	
	B	SE	B	SE
Presidential Influence				
Pres. Priority (Model 1); Pres. Priority/Failure (Model 2)	0.24	0.16	0.29**	0.13
Average Agency Party ID (0-4)	-0.15**	0.07	-0.16**	0.07
Regulatory Commission (0,1)	-1.05**	0.16	-1.02**	0.16
# Congressional Committees w/oversight	0.20**	0.10	0.18*	0.10
ln (Employees)	-0.03	0.04	-0.04	0.04
Washington DC %	-0.47**	0.24	-0.47*	0.23
% Appointee Respondents	0.32	0.34	0.30	0.34
Avg. Yrs. Federal Employment	0.02*	0.01	0.02*	0.01
Constant	1.44**	0.40	1.48**	0.40
Congressional Influence				
Pres. Priority (Model 1); Pres. Priority/Failure (Model 2)	0.02	0.18	0.22	0.15
Average Agency Party ID (0-4)	0.06	0.08	0.06	0.08
Regulatory Commission (0,1)	-0.52**	0.18	-0.49**	0.18
# Congressional Committees w/oversight	0.29**	0.11	0.25**	0.11
ln (Employees)	0.07	0.26	0.06	0.26
Washington DC %	-0.05	0.38	-0.06	0.38
% Appointee Respondents	0.01	0.01	0.01	0.01
Avg. Yrs. Federal Employment	0.00	0.04	-0.01	0.04
Constant	0.80*	0.44	0.87**	0.44
Agency Discretion				
Pres. Priority (Model 1); Pres. Priority/Failure (Model 2)	-0.23*	0.13	-0.20*	0.11
Average Agency Party ID (0-4)	0.11*	0.06	0.12*	0.06
Regulatory Commission (0,1)	0.38**	0.14	0.36**	0.14
# Congressional Committees w/oversight	-0.05	0.08	-0.04	0.08
ln (Employees)	0.24	0.20	0.24	0.20
Washington DC %	-0.11	0.29	-0.10	0.29
% Appointee Respondents	-0.01	0.01	-0.01	0.01
Avg. Yrs. Federal Employment	0.01	0.03	0.01	0.03
Constant	2.92**	0.34	2.91**	0.34

Note: *significant at the 0.10 level; **significant at the 0.05 level in two-tailed test. Dependent variables are agency average responses to the following questions: "How much direct influence does the president/White House exert over the following decisions in [your agency]? Spending decisions after funds have been appropriated by Congress" and "How much direct influence does Congress exert over the following decisions in [your agency]? Spending decisions after funds have been appropriated by Congress." "How much influence does [your agency] have over the following aspects of their management environment? Spending decisions after funds have been appropriated by Congress." [None (0), Little (1), Some (2), A good bit (3), A great deal (4)]. For Model 1, N=157. R^2 are 0.34, 0.18, and 0.13, respectively. X^2 statistics are 81.99, 34.39, and 23.49, respectively. The correlation of residuals among models is 0.56 (president v. Congress) and -0.17 (president v. agency) and -0.14 (Congress v. agency). For Model 2, N=157. R^2 are 0.35, 0.19, and 0.13, respectively. X^2 statistics are 85.74, 37.03, and 23.71, respectively. The correlation of residuals among models is 0.55 (president v. Congress) and -0.16 (president v. agency) and -0.12 (Congress v. agency).

One key expectation of the where respondents were most likely to report presidential or White House influence over spending were in those agencies responsible for implementing Obama Administration priorities. The estimates suggest that agencies implementing policies mentioned in the 2014 State of the Union were marginally more likely to report greater White House influence ($p<0.14$) and less spending discretion overall ($p<0.09$). Further, the coefficient estimates on presidential priority were statistically distinguishable from one another in Wald tests ($p<0.04$), suggesting that an agencies presence on the president's agenda was estimated to have different effects on White House influence and agency discretion. Substantively, mention of an agency's policies in the State of the Union is estimated to shift the average agency response by about 0.25 on a scale from 0 to 4. If presidential priorities are measured to include agencies with previous failures on the Obama Administration such as the Bureau of Alcohol, Tobacco, Firearms, and Explosives (Fast and Furious) and the Gulf Oil Spill (successors to the Minerals Management Service), the effects are substantively larger and estimated more precisely. Importantly, this measure of priority is now marginally correlated with increased congressional influence on spending post-appropriations ($p<0.14$). This suggests that visible failures invite micro-management by both branches, while policies mentioned in the State of the Union less so. Overall, this is important evidence that presidents prioritize their efforts to influence spending in ways that are easy to understand.

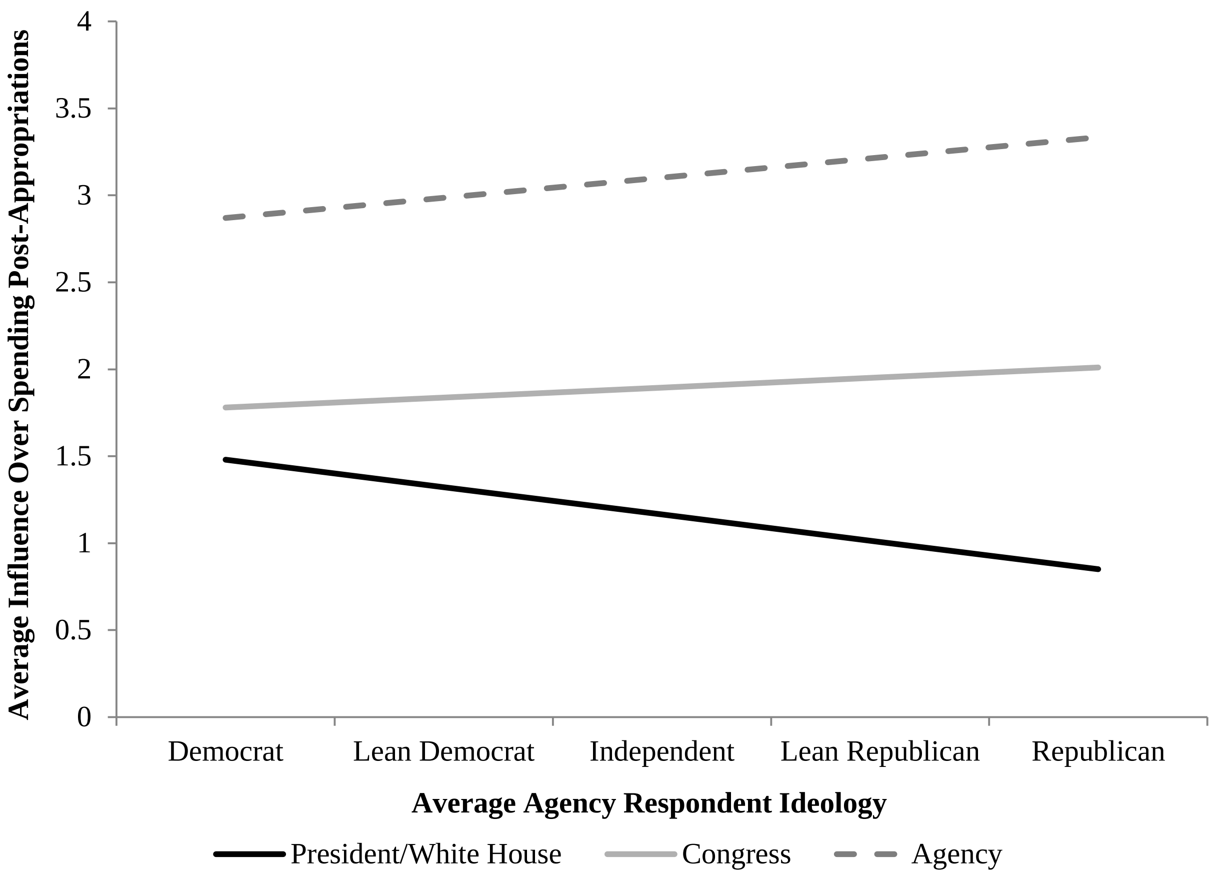
One of the more surprising findings in the model estimates was the robust relationship between the average partisanship of agency respondents and their perceptions of White House influence. The negative coefficients imply that more conservative agencies report less presidential influence. Conservative agencies report more discretion over spending and, if anything more congressional influence over spending post-appropriations. They report less presidential influence. For liberal agencies, however, presidents are reported to be more influential in post-appropriations spending decisions. Substantively, a one unit shift in average self-reported party identification, say from leaning Democrat (1) to independent (2) is estimate to result in a 0.16 decrease in average reported White House influence over spending and a 0.11

increase in average reported spending discretion. To provide some context the average party ID for the Equal Employment Opportunity Commission is about 1, while that of the Federal Bureau of Investigation is about 2. The estimate effects of average partisanship on influence over spending and spending discretion are included in Figure 5. Notably, the reported levels of agency discretion and congressional and presidential influence—agencies report high levels of discretion and Congress is reported to have more influence over spending—vary to start but these reports are estimated to change depending upon the ideological contours of the agencies themselves. This relationship between agency policy views and influence suggests that some agencies are more inclined to allow presidential influence.

Of course, partisanship or ideology may color perceptions of influence. In this case, however, if partisanship were to color perceptions of influence it would likely work in the opposite direction. Republicans and conservatives would be more sensitive to presidential intervention in agency policy making. It is possible, however, that liberal agencies are more important to the president's agenda than conservative agencies. While the models include measures of the presidential agenda, they may not fully capture the increased attention the president is giving liberal agencies because of the president's particular interest. Nonetheless, the evidence here is consistent with the fact that presidents find it *easier* to exert their influence over spending in agencies that share the president's views about policy. Agency officials are more willing to share information and cooperate with the president to rearrange spending.

The evidence that insulated agencies have more discretion over spending is quite start. While there are exceptions, like the Tennessee Valley Authority, insulated agencies are estimated to have more discretion and less presidential or congressional influence over spending. The coefficient on regulatory commissions suggests that presidents have significantly less influence. The coefficients are substantively large and estimated precisely. The effect size of the regulatory commission indicator on reported White House influence over spending is larger than a standard deviation in the dependent variable. The estimated effect is equivalent to shifting the average agency response to presidential influence from “some” to “little” or from “little” to “none.” Respondents in regulatory commissions also report less congressional influence than respondents in other agencies but the effect size is about half of what it is for presidential influence. In general, respondents in the most insulated agencies report more discretion over spending and less political interference, particularly from the president.

Figure 5. Estimated Impact of Agency Partisanship on Presidential Spending Influence Post-Appropriations, 2014



Note: Y-axis categories are (0) None, (1) Little, (2) Some, (3) A good bit, and (4) A great deal. Estimates calculated with mean values adjusted with coefficient estimates on average agency party identification.

There are a few noteworthy estimates among the controls. First, more committee oversight appears correlated with more political influence over spending. Of course, the way the question is worded -- how many committees exercise active oversight – makes it difficult to disentangle whether this correlation is due to more committees getting involved to investigate bad behavior. Second, agencies with a high proportion of respondents outside Washington report significantly less presidential influence over spending. Some of the agencies with the fewest respondents in Washington include the Office of the United States Attorneys (DOJ), the Centers for Disease Control and Prevention (HHS), and the Combatant Commands (DOD). Those with the highest percentages include offices of the secretary in the executive departments, the Office of Management and Budget, and the Bureau of Labor Statistics. The difference between agencies with the highest and lowest percentages of respondents in Washington (0-1) is estimated to result in a 0.47 change in the average reported presidential influence over spending on a 0 to 4 scale. Finally, executives that have worked in the government longer are estimated to report more marginally presidential and congressional influence over spending. For example, an executive working in the federal government 10 years is estimated to report less presidential influence by about 0.8 (about one standard deviation) compared to an executive working in the federal government 50 years.

In total, the evidence suggests that agencies have substantial discretion over spending. The ability of elected officials to specify in great detail how funds are to be spent is limited. This discretion provides presidents opportunities to influence policy. It appears presidents take this opportunity most frequently in agencies that are important for key presidential priorities, agencies that share their views about policy, and agencies designed to be amenable to presidential influence.

Discussion and Conclusion

Presidents, supported by various study commissions, have sought increased control over spending at least for the last 100 years (Fisher 1975, 63-65). They have encouraged Congress to move from detailed itemization of spending in appropriations bills to fewer larger accounts (Fisher 1975). Congress has responded by providing more spending flexibility, particularly in times of emergency or crisis. Indeed, agencies report a significant amount of discretion over spending post-appropriations. This is not to suggest that Congress has given up the field with regard to spending. Indeed, the data here suggest that agencies report more congressional influence than presidential influence over post-appropriations spending. Agencies adhere to the wishes of congressional committees as advanced in written instructions and informal understandings unless compelled to deviate by their own wishes and, often, the support of the White House (Fisher 1975).

This paper has examined presidential spending power at one point in time. It is hard to determine whether the current period is a high or low water mark of agency discretion. Certainly, President Obama is the beneficiary of previous efforts to expand executive discretion. Yet, there are other periods where Congress has given presidents or agencies an extremely free hand. During times of crisis, Congress has given presidents more discretion. The Emergency Relief Appropriation Act of 1935, for example appropriated more than $4.8 billion to be spent at the "direction of the president."[35] The first draft of the Troubled Asset Relief Program legislation in 2008 granted the executive $700 billion to purchase mortgage-related assets with virtually no constraints on its use (Posner and Vermeule 2009). In addition, during times of sequestration in the 1980s and 2010s, executives used their control over spending to protect priority projects and

[35] See Fisher 1975, 62.

programs, often with the implicit cooperation of some members of Congress (Stith 1988, 598).[36] On the other hand, Congress has attempted to recoup the spending authority it has given away during crises after emergencies subside. They intervene more aggressively, conduct more oversight, and add more formal and informal stipulations about how funds should be spent (Fisher 1975). A number of recent works suggest that Congress is using its own spending power to constrain executive action more aggressively than in the past (Macdonald 2010; Yaver 2015).

Whether this is a period of relatively high or low discretion over spending, agencies themselves perceive a significant amount of discretion over spending post-appropriations. Presidents can use a variety of tools to influence these choices when they put forth the effort. Presidents are most successful when agencies share their views about policy and when agencies are not designed to be insulated from presidential control, either by structural features that guarantee insulation or agencies with operations scattered across the country.

Presidential influence over spending is an example of a form of executive power that is important but underappreciated since it is hard to observe. Presidents have used this authority to create or change policy that Congress itself would not support.[37] President Eisenhower used his control over funds to support the Incentive Investment Program in 1959 after Congress refused to fund the program. President Kennedy used funds from the foreign assistance appropriation bill to fund the Peace Corps, another program Congress had refused to support. President Johnson used funds from the Defense Department's appropriations to pay for the President's Commission on Civil Disorders. President Nixon used foreign aid funds to purchase a helicopter as a gift for Anwar Sadat.

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[36] Sahadi, Jeanne. 2013. "Spending cuts: What you need to know." CNN, February 19, 2013 (http://money.cnn.com/2013/02/19/news/economy/spending-cuts/, accessed December 28, 2015).
[37] These examples come primarily from Fisher 1975, 67-69.

We know these cases such as these because they were reported in the newspaper or Congress found out about them. What has been hard to measure is how extensive this discretion is because it has been hard to observe. This paper suggests this discretion is widespread but it cannot tell us how often agencies such as the National Weather Service use it to take actions Congress has refused to take. Small decisions are made regularly to spend on some items and not others and these choices happen outside the immediate view of presidents and members of Congress. This is the peril and promise of presidential power. There is great potential for influence via spending but spending is also hard to monitor carefully. Spending choices shape policy implementation, enforcement practices and whether laws achieve their desired ends.

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Appendix A. Screen Shots of Federal Executive Spending Discretion Questions, 2014 Survey on the Future of Government Service

PRINCETON UNIVERSITY

Survey Research Center

Some of the key features of executive management are choices about the interpretation of law, the prioritization of agency responsibilities, and the allocation of time and resources to different agency tasks.

How much discretion does the Economic Research Service have over the following aspects of its management environment?

	None	Little	Some	A good bit	A great deal	Don't know
The proper interpretation of statutes						
The prioritization of some agency responsibilities over others						
The allocation of personnel to different jobs or offices						
Spending decisions after funds have been appropriated by Congress						
Enforcement priorities						

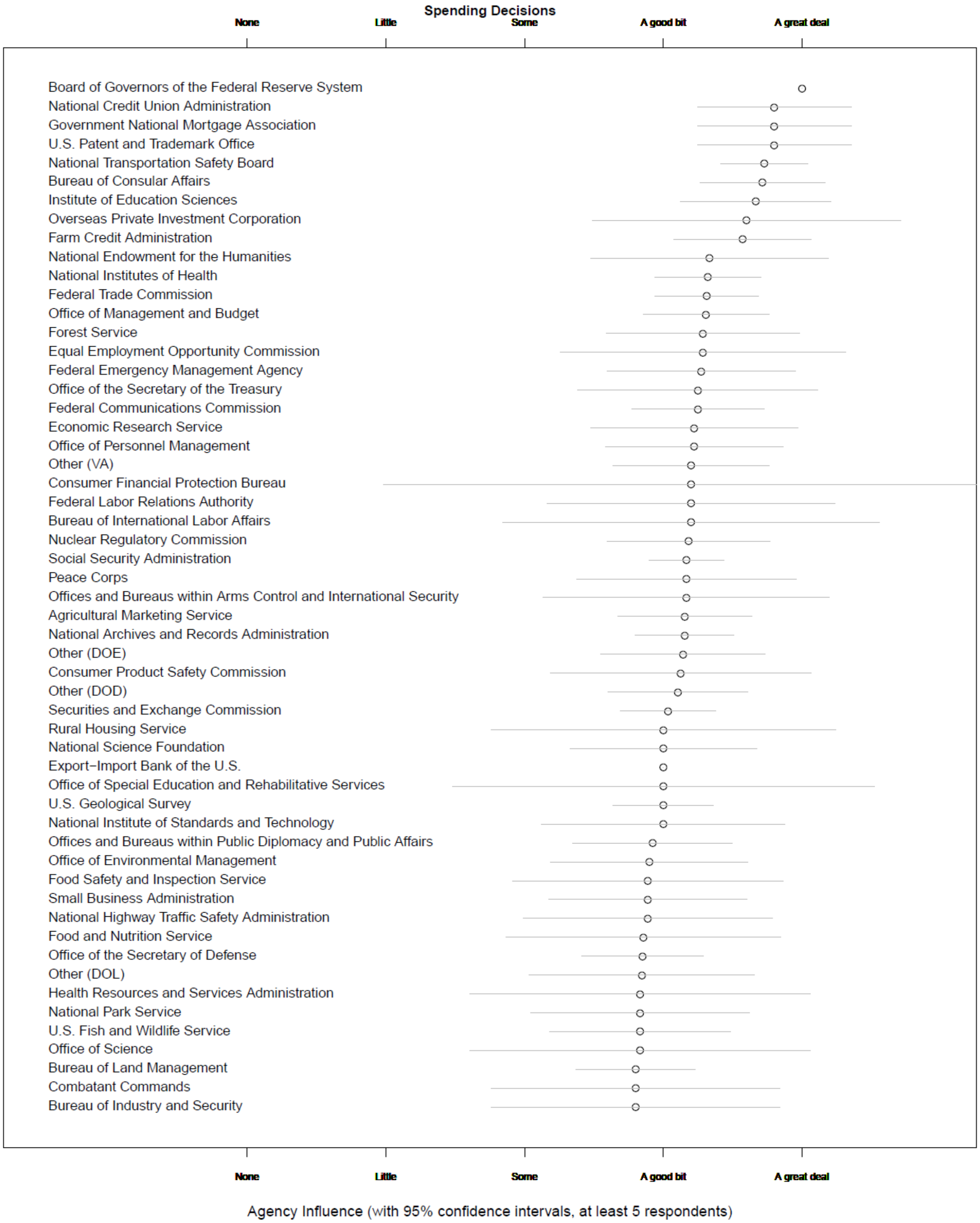
How much direct influence does the president/White House exert over the following decisions in the Economic Research Service?

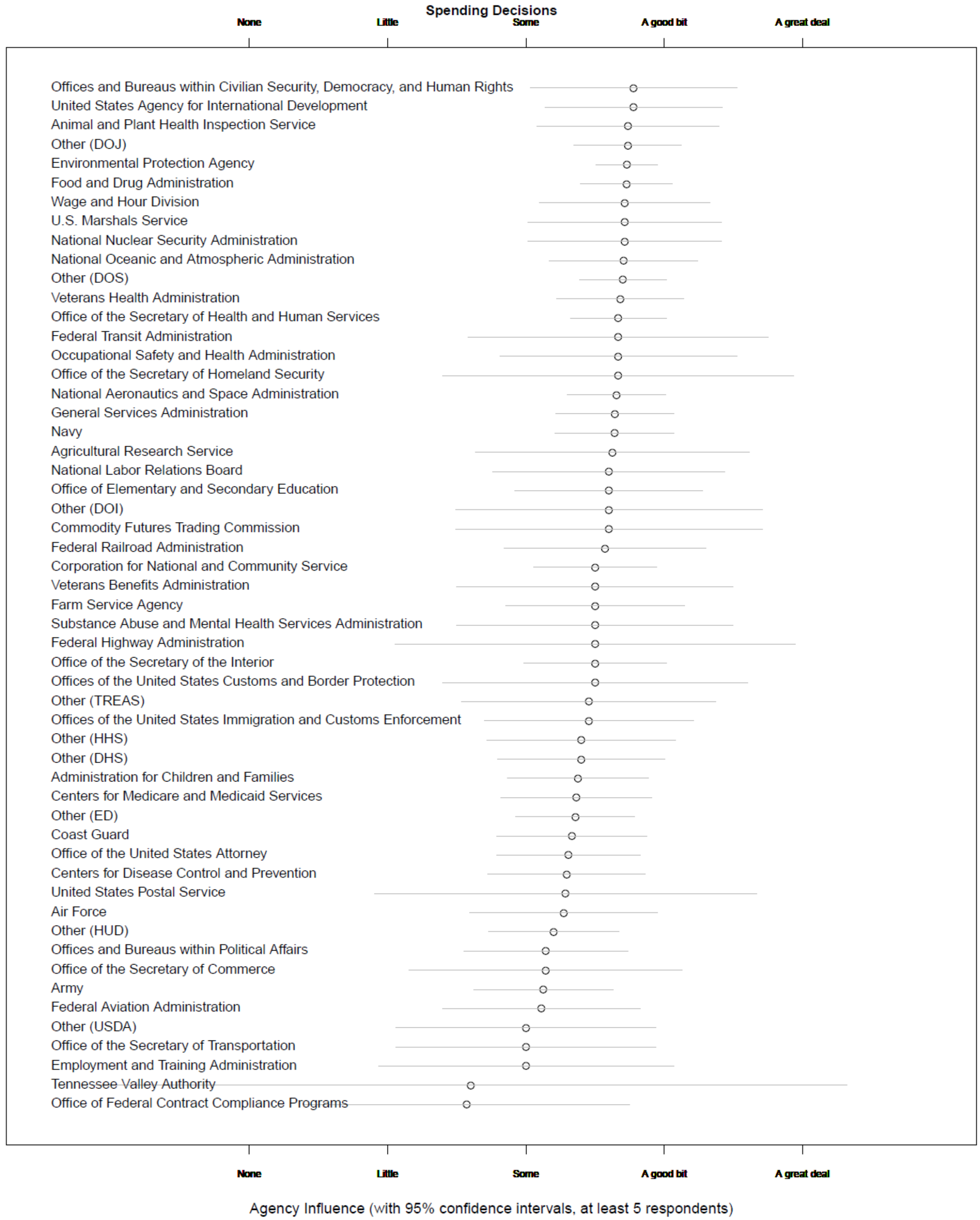
	None	Little	Some	A good bit	A great deal	Don't know
The proper interpretation of statutes						
The prioritization of some agency responsibilities over others						
The allocation of personnel to different jobs or offices						
Spending decisions after funds have been appropriated by Congress						
Enforcement priorities						

How much direct influence does Congress (e.g., members, committees, leaders) exert over the following decisions in the Economic Research Service?

	None	Little	Some	A good bit	A great deal	Don't know
The proper interpretation of statutes						
The prioritization of some agency responsibilities over others						
The allocation of personnel to different jobs or offices						
Spending decisions after funds have been appropriated by Congress						
Enforcement priorities						

Appendix B. Federal Agency Self-reported Spending Discretion, 2014




Spending Decisions
None
Little
Some
A good bit
A great deal
Offices and Bureaus within Civilian Security, Democracy, and Human Rights
United States Agency for International Development
Animal and Plant Health Inspection Service
Other (DOJ)
Environmental Protection Agency
Food and Drug Administration
Wage and Hour Division
U.S. Marshals Service
National Nuclear Security Administration
National Oceanic and Atmospheric Administration
Other (DOS)
Veterans Health Administration
Office of the Secretary of Health and Human Services
Federal Transit Administration
Occupational Safety and Health Administration
Office of the Secretary of Homeland Security
National Aeronautics and Space Administration
General Services Administration
Navy
Agricultural Research Service
National Labor Relations Board
Office of Elementary and Secondary Education
Other (DOI)
Commodity Futures Trading Commission
Federal Railroad Administration
Corporation for National and Community Service
Veterans Benefits Administration
Farm Service Agency
Substance Abuse and Mental Health Services Administration
Federal Highway Administration
Office of the Secretary of the Interior
Offices of the United States Customs and Border Protection
Other (TREAS)
Offices of the United States Immigration and Customs Enforcement
Other (HHS)
Other (DHS)
Administration for Children and Families
Centers for Medicare and Medicaid Services
Other (ED)
Coast Guard
Office of the United States Attorney
Centers for Disease Control and Prevention
United States Postal Service
Air Force
Other (HUD)
Offices and Bureaus within Political Affairs
Office of the Secretary of Commerce
Army
Federal Aviation Administration
Other (USDA)
Office of the Secretary of Transportation
Employment and Training Administration
Tennessee Valley Authority
Office of Federal Contract Compliance Programs
None
Little
Some
A good bit
A great deal
Agency Influence (with 95% confidence intervals, at least 5 respondents)

Appendix C. Priorities Mentioned in the 2014 State of the Union and Associated Agencies

State of the Union	**Bureau or Agency**
Minimum Wage for Contract Employees	Wage and Hour Division (DOL)
Health Care	CMMS; FDA; EBSA; IRS; AHRQ; OS; HRSA; NIH; AA; CDC; NIH; IHS
Immigration	CBP; CIS; Consular (STAT); ICE; DOL (OFLC);
War on Terror; Afghanistan	Military Services; Intelligence; State
Foreign Policy	Office of the Sec. State, OSD (DOD)
Education: Pre-K; community colleges; race to the top	OPS (DoEd); OESE (DoEd); SERS (DoEd)

Source: "Inside the State of the Union: What the President Proposed." *National Public Radio*, January 29, 2014 (http://www.npr.org/sections/itsallpolitics/2014/01/28/267939585/inside-the-state-of-the-union-what-the-president-proposed, accessed December 27, 2015).

Appendix D. Public Policy Failures of the Obama Administration and Associated Agencies

Scandal	Year	Agency
Fort Hood	2009	Army
Christmas Day Bombing Plot	2009	TSA
Gulf Oil Spill	2010	MMS
GSA Conference Scandal	2010	GSA
Fast and Furious	2011	ATFE
Benghazi	2012	Diplomatic Security; Consular Affairs
Secret Service Misconduct	2012	Secret Service
Boston Bombing	2013	FBI; CIA
Navy Yard Shootings	2013	Navy
Healthcare.gov Launch	2013	CMMS
Texas Fertilizer Plant Explostion	2013	EPA; OSHA; Pipeline and Hazardous Materials Safety Admin
IRS Targeting	2013	IRS
NSA Leaks	2013	NSA
Veterans Health Care Waitlist	2014	VHA
Chevy Cobalt Accidents	2014	NHTSA

Source: Light, Paul. 2014. "A Cascade of Failures: Why Government Fails, and How to Stop It." Brookings Institution, Center for Effective Public Management, July 2014 (http://www.brookings.edu/~/media/research/files/papers/2014/07/light-cascade-of-failures/light_cascade-of-failures_why-govt-fails.pdf, accessed December 27, 2015).

Appendix E. OLS Estimates of Post-Appropriations Spending Influence, 2014

	(1)		(2)	
	B	SE	B	SE
Presidential Influence				
Pres. Priority (1); Pres. Priority/Failure (2)	0.23	0.18	0.29**	0.14
Average Agency Party ID (0-4)	-0.16**	0.07	-0.17**	0.07
Regulatory Commission (0,1)	-1.02**	0.12	-0.99**	0.12
# Congressional Committees w/oversight	0.22**	0.10	0.20*	0.10
ln (Employees)	-0.03	0.04	-0.04	0.04
Washington DC %	-0.50*	0.26	-0.49*	0.25
% Appointee Respondents	0.29	0.32	0.28	0.32
Avg. Yrs. Federal Employment	0.02	0.01	0.02	0.01
Constant	1.43**	0.47	1.47**	0.46
Congressional Influence				
Pres. Priority (1); Pres. Priority/Failure (2)	0.01	0.16	0.20	0.13
Average Agency Party ID (0-4)	0.06	0.09	0.06	0.08
Regulatory Commission (0,1)	-0.50**	0.17	-0.47**	0.17
# Congressional Committees w/oversight	0.32**	0.10	0.29**	0.10
ln (Employees)	-0.01	0.04	-0.01	0.04
Washington DC %	0.01	0.31	0.00	0.31
% Appointee Respondents	-0.10	0.33	-0.11	0.33
Avg. Yrs. Federal Employment	0.01	0.01	0.01	0.01
Constant	0.79	0.53	0.86*	0.51
Agency Discretion				
Pres. Priority (1); Pres. Priority/Failure (2)	-0.21*	0.12	-0.18*	0.10
Average Agency Party ID (0-4)	0.11	0.07	0.11	0.07
Regulatory Commission (0,1)	0.36**	0.11	0.35**	0.11
# Congressional Committees w/oversight	-0.09	0.09	-0.09	0.09
ln (Employees)	0.01	0.04	0.02	0.04
Washington DC %	0.26	0.22	0.25	0.22
% Appointee Respondents	-0.06	0.32	-0.05	0.32
Avg. Yrs. Federal Employment	-0.01	0.01	-0.01	0.01
Constant	2.90**	0.48	2.89**	0.49

Note: Robust standard errors reported. *significant at the 0.10 level; **significant at the 0.05 level in two-tailed test. Dependent variables are agency average responses to the following questions: "How much direct influence does the president/White House exert over the following decisions in [your agency]? Spending decisions after funds have been appropriated by Congress" and "How much direct influence does Congress exert over the following decisions in [your agency]? Spending decisions after funds have been appropriated by Congress." "How much influence does [your agency] have over the following aspects of their management environment? Spending decisions after funds have been appropriated by Congress." [None (0), Little (1), Some (2), A good bit (3), A great deal (4)]. N for models [Column 1] 158, 160, 159; [Column 2] 158, 160, 159. R^2 for models [Column 1] 0.34, 0.20, 0.13; [Column 2] 0.35, 0.21, 0.13. Test of fitted vs. null model (8 df) [Column 1] 24.05**, 5.58**, 4.60**; [Column 2] 24.64**; 5.77**, 4.69**.