



FY 2011 TRAINING

Using Plans & Measures

Morning session (1 of 2)



Office of Management and Budget
Performance Management Unit

CONTACTS

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FY 2010 AWARD WINNERS

HIGHEST ACHIEVEMENT AWARD

- Office of Finance
- Office of Law
- Memorial Library
- Office of Community Relations
- Board of License Commissioners
- Department of Public Works and Transportation
- Office of Housing and Community Development
- Police Department

ACHIEVEMENT AWARD

- Office of Information Technology and Communications
- Human Relations Commission
- Fire / EMS Department
- Department of Social Services
- Department of Family Services
- Citizen Complaint Oversight Committee
- Board of Elections
- Department of Environmental Resources
- Health Department
- Soil Conservation District

IMPROVEMENT AWARD

- Office of Finance
- Office of Law
- Office of Community Relations
- Board of License Commissioners
- Department of Public Works and Transportation
- Office of Housing and Community Development
- Police Department
- Human Relations Commission
- Department of Social Services
- Board of Elections
- Orphans' Court
- Personnel Board



TODAY'S AGENDA

Morning Session

- I. Submission overview and due dates
- II. Updating October's submission
- III. Performance measures explanation
- IV. How to submit items two and three
- V. Brief explanation of action items

Afternoon Session (starting at 1:30PM)

- I. Review from last session
- II. Performance based budgeting (includes action items)
 - I. Requirements and rating
 - II. Explanation and instructions
- III. Data reporting
 - Requirements and rating
 - Explanation and instructions
- IV. Data audit
- V. Charter for Change rating summary and awards



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WHAT TO SUBMIT

BUDGET SUBMISSION 1: **OCTOBER 23, 2009**

- Mission
- Core services table
- Goals
- Objectives
- Strategies
- FY 2010 key accomplishments
- Family of performance measures

BUDGET SUBMISSION 2: **NOVEMBER 13, 2009**

- Updates to the October 23 submission (optional)
- Performance measures explanations
- Budget submission workbook
 - Requested changes tab
 - Action items
- EXPBUD

BI-MONTHLY

- Reporting of performance measures' data

FOR SELECTED AGENCIES – SCHEDULED SEPERATELY

- Executive Management Assessment Program (EMAP)
- Audit of an agency's performance measures



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PERFORMANCE MEASURES EXPLANATION

WHAT IS THIS?

- A summary and explanation of the trends and conditions of each objective's performance measure data
- For analysts, decision makers, and the public
- One paragraph
- It is located below the agency's performance measures
- Each table of performance measures must have a performance measures explanation



PERFORMANCE MEASURES EXPLANATION

WHAT DOES THIS LOOK LIKE?

Performance Measures -

Measure Name	Measure Category	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Estimated	FY 2011 Projected
Number of advance life support (ALS) capable ambulances	Input	13	13	14	14	14
Number of ALS capable fire engines	Input	1	2	3	3	3
Number of advanced life support (ALS) ambulances and fire engines	Input	14	15	17	17	17
Number of ALS calls for service	Output	41,350	41,524	43,400	45,000	46,000
Average number of ALS calls for service per ALS ambulance and fire engine	Efficiency	2,953.6	2,768.3	2,552.9	2,647.1	2,705.9
Average ALS response time	Outcome	9:46	9:30	9:09	9:23	9:20
Percent of ALS responses arriving within 10 minutes	Outcome			65%	66%	67%

Performance Measures Explanation - Advanced life support (ALS) is the capacity for the department's vehicles and staff to provide complex medical procedures for emergencies such as heart attack and stroke. The department will continue to operate 17 ALS capable vehicles for FY 2011. It is anticipated, based on past performance, that calls for service will continue to increase which is partially driven by the urbanization of the County and the increase in the County's population. The result of which is an increase in the average number of calls per service per unit. To handle this additional workload, the department in FY 2011 will redeploy ALS vehicles to best align the calls for service with the location of vehicles; facilitating improved response times through FY 2011. The percent of responses arriving within 10 minutes is unavailable for FY 2007 and FY 2008 because it was not collected until FY 2009.



PME – RATING

RATING	1. A PME IS INCLUDED	2. ALL PERFORMANCE MEASURES TABLES HAVE A PME	3. PMES DISCUSS SOME, BUT NOT ALL OF THE REQUIRED ITEMS	4. PMES DISCUSS ALL OF THE REQUIRED ITEMS
0				
1	✓			
2	✓	✓	✓	
3	✓	✓	✓	✓

- 1. A PME is included** – a performance measures explanation is included with at least one table of performance measures
- 2. All performance measures tables have a PME** – a performance measures explanation is included for each table of performance measures



PME – RATING ITEMS 3 & 4

REQUIREMENTS FOR A PME:

- One paragraph (no more/less)
- Includes all of the required components listed below - which can overlap

REQUIRED COMPONENTS	DESCRIPTION
Overview and Clarification	<ul style="list-style-type: none">• Importance of the objective, strategies, and performance measures• Explain information that a layman may not understand
Performance Measures History and Trends	<ul style="list-style-type: none">• Explain increases and decreases in performance measures data
Factors and Conditions	<ul style="list-style-type: none">• Identify and summarize any internal, external, contributing, or restricting impacts affecting performance
Estimates, Projections, and Budget Relationship	<ul style="list-style-type: none">• Summarize rationale for changes in estimated and projected data compared to previous years' data• Identify if and how the budget request has impacted estimated performance measures' data
Missing Data (if applicable)	<ul style="list-style-type: none">• State why data is missing for one or more performance measures



PME SUBMISSION

MISSION AND SERVICES

Mission - The Office of Finance provides revenue collection and investments, funds disbursement operations, best accounting practices, debt management and risk management to the County citizens, residents and agencies in order to ensure fiscally accountable and effective service delivery.

The agency's mission supports accomplishing the countywide vision by:

- Working for sound county management

The agency is responsible for –

Services	Customers	Impact on Customers
<ul style="list-style-type: none"> Revenue collection and investments Funds disbursement operations Best accounting practices, including cash management, preparation of annual financial statements and overseeing audit of county operations and financial transactions. Debt management, including preparation of county bond sales. Risk management fund 	<ul style="list-style-type: none"> County citizens County residents County agencies 	<ul style="list-style-type: none"> Ensure fiscal accountability Ensure effective service delivery

SERVICE DELIVERY PLAN AND PERFORMANCE

GOAL 1 - To provide revenue collection and investment services to county agencies in order to obtain the funds which support county services.

Objective 1.1 -

Statement and Targets	Objective's Long Term Target Compared with Performance
<p>Increase the percent of real property revenue collected from 99.25% in FY 2008.</p> <ul style="list-style-type: none"> Short term: By FY 2010 – 99.35% Intermediate term: By FY 2013 – 99.40% Long term: By FY 2016 – 99.45% 	

Performance Measures-

Performance Measures Explanation – The amount of real property taxes billed has continued to increase over the past decade due in part to improved collection techniques. Reaching the objective's long term (FY 2016) target of 98.5% benefits the County in several ways including paying employees and vendors in a timely and accurate manner. While the average number of vendor payments may appear to decline from FY 2008 – FY 2010, the number of invoices processed is increasing. This is due to the implementation of self-mailer, multi-purpose forms during FY 2008. The new forms allow an increased number of invoices to be paid per form and may be used for either checks or automatic payments and therefore are more cost-effective. This is due to the implementation of self-mailer, multi-purpose forms during FY 2008. The new forms allow an increased number of invoices to be paid per form and may be used for either checks or automatic payments and therefore are more cost-effective.

Deleted: creative

Deleted: The Office has developed new methods in the tax sale process including group and web-based tax sales that have resulted in up to 100% of all tax sale certificates offered. FY 2006 data for the percent of bills successfully delivered is unavailable.



MORNING SESSION AGENDA

- I. Submission overview and due dates
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UPDATING OCTOBER'S SUBMISSION (OPTIONAL)

BUDGET SUBMISSION 1: OCTOBER 23, 2009

- Mission
- Core services table
- Goals
- Objectives
- Strategies
- FY 2010 key accomplishments
- Family of performance measures

WHAT YOU CAN DO

- Edit items to increase the Charter for Change rating
- Update strategies to reflect the agency's budget request, if necessary
- Update FY 2010 and FY 2011 performance data to reflect:
 - To-date data
 - New trends and conditions
 - Impact from the agency's budget request

HOW TO DO THIS

- Use the same steps and processes that were required in the October 23 submission
- These changes are due on November 13



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HOW TO SUBMIT ITEMS 2 & 3

1. Go to <http://pgcintra/SiteDirectory/CFC/>
2. Click on “Shared Documents”



A screenshot of a web interface titled "Shared Documents". A blue arrow points to the title. Below the title is a table with columns "Type", "Name", and "Modified By". The table lists several folders and documents. At the bottom, there is a link "Add new document".

Type	Name	Modified By
Folder	Training	Useem, Gregory
Folder	CFC Documents	Useem, Gregory
Folder	EMAP	Useem, Gregory
Folder	Newsletter	Useem, Gregory
Folder	Data Reporting	Useem, Gregory
Document	Government Finance Review - GFOA - April 09	Useem, Gregory
Document	Charter for Change Manual FY 2010	Useem, Gregory

[Add new document](#)

3. Click on the folder “CFC Documents”



A screenshot of the same "Shared Documents" interface. A blue arrow points to the "CFC Documents" folder in the table.

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HOW TO SUBMIT ITEMS 2 & 3

4. Click “FY11 Starting Documents Ready for Submission 2”

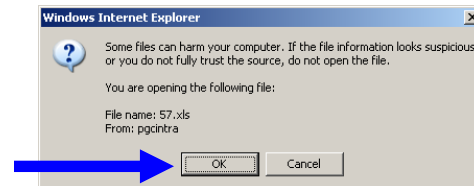
Shared Documents

Type	Name	Modified
Folder	Archive	9/25/2009 3:03 PM
Folder	Current Documents	9/25/2009 5:50 PM
Folder	FY 11 Agency Budget Submission	9/25/2009 3:08 PM
Folder	FY 11 Starting Documents	9/25/2009 3:07 PM
Folder	FY11 CFC Documents Ready for Submission 2	10/2/2009 3:33 PM



5. Select your agency’s MS Word and MS Excel files (named by center number, for example 50.doc = Police Department)

6. Select “OK” on the dialog box



7. Save these files onto your computer

8. Work in the MS Word file

- Turn track changes on (**required**) - go to tools and click on track changes
- Input changes and revisions
- Save the file on your computer



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Folder	EMAP	Useem, Gregory
Folder	Newsletter	Useem, Gregory
Folder	Data Reporting	Useem, Gregory
Document	Government Finance Review - GFOA - April 09	Useem, Gregory
Document	Charter for Change Manual FY 2010	Useem, Gregory

[Add new document](#)

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Type	Name	Modified By
Folder	Training	Useem, Gregory
Folder	CFC Documents	Useem, Gregory
Folder	EMAP	Useem, Gregory
Folder	Newsletter	Useem, Gregory
Folder	Data Reporting	Useem, Gregory
Document	Government Finance Review - GFOA - April 09	Useem, Gregory
Document	Charter for Change Manual FY 2010	Useem, Gregory



HOW TO SUBMIT ITEMS 2 & 3

12. Click [“FY 11 Agency Budget Submission”](#)

Type	Name	Modified By
Folder	Current Documents	Useem, Gregory
Folder	FY 11 Agency Budget Submission	Useem, Gregory
Folder	FY 11 Starting Documents	Useem, Gregory
Folder	Archive	Useem, Gregory

13. Click on “Upload”

> Sites > Charter for Change

Shared Documents

New Upload Actions Settings

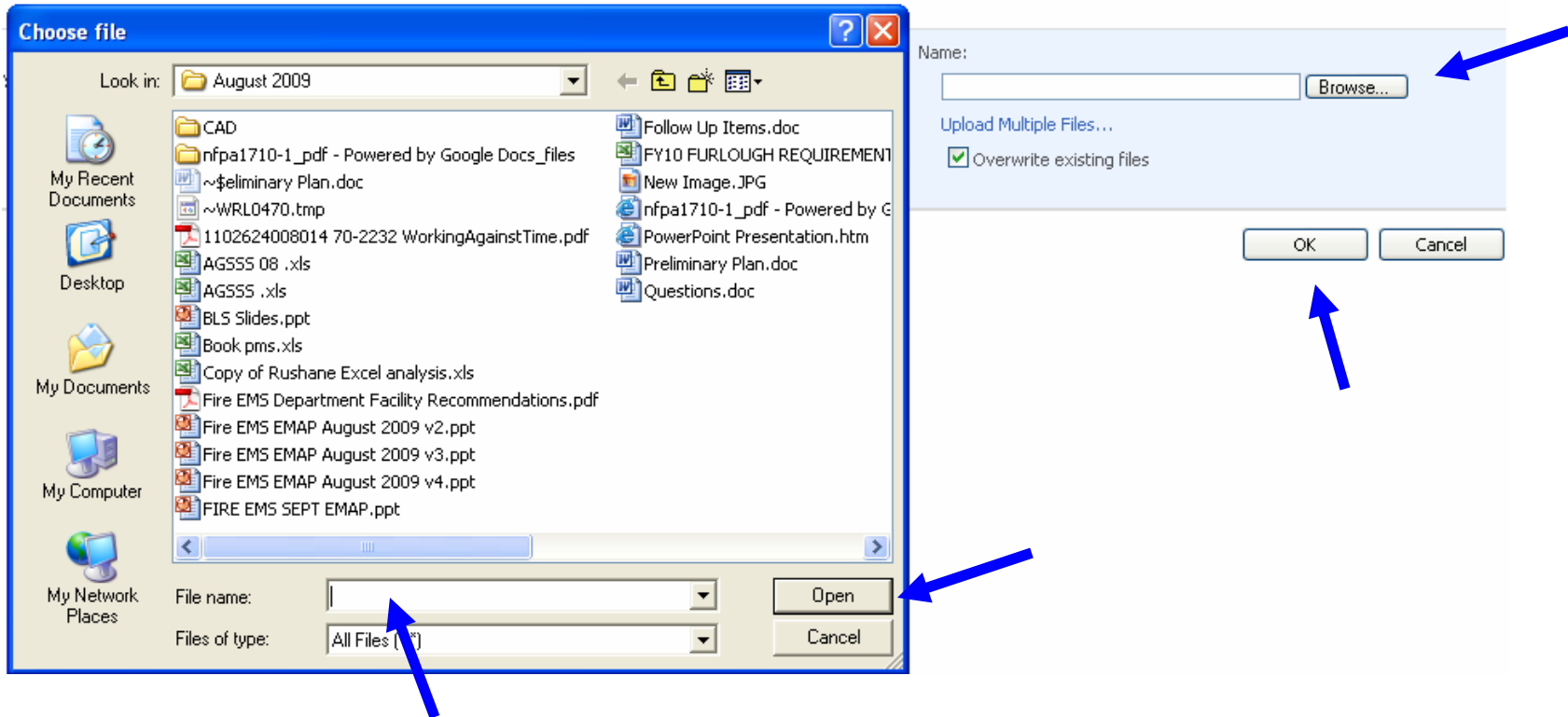
Type	Name	Modified	Modified By	Checked Out To
------	------	----------	-------------	----------------

There are no items to show in this view of the "Shared Documents" document library. To create a new item, click "New" or "Upload" above.



HOW TO SUBMIT ITEMS 2 & 3

14. Click browse, find and select your agency's file on your computer using the dialog box, and then select "OPEN" and "OK" (this will need to be repeated for both the MS Word and MS Excel files)



15. Complete the submission by following the budget instructions



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- VI. Updating October's submission



ACTION ITEMS

DEFINITION

A budgetary change that is programmatic, impacting the strategy and ultimately affects the agency's ability to accomplish the objective

EXAMPLE

Action item 1.1.1.1 – Increase the number of training classes the County has from 50 to 100 in order to maintain and support the strategy

WHEN A BUDGETARY CHANGE IS AN ACTION ITEM

- The budget change will have an impact on the process, level of service, effectiveness, or ability to maintain/continue services
- Sometimes, but not always, includes multiple accounts
- Does not include administrative, across-the-board changes such as salary adjustment changes (COLAs, merits, furloughs) and fringe benefits rate changes



“There are two sides to every service delivery coin: cost and performance.” -Dr. Rivenbark, UNC Chapel Hill



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FY 2011 TRAINING

Using Plans & Measures

Afternoon session (2 of 2)



Office of Management and Budget
Performance Management Unit

QUIZ

1. What does a strategy tell us?
2. What is an outcome and why is it important?
3. Given the data below – which school system, would you assume, has higher SAT scores? (1)
 - Marin County, CA – Average cost per pupil: \$6,579
 - Alexandria, VA – Average cost per pupil: \$11,404
4. Why do we utilize performance based budgeting?
5. What does “full costing” mean?



Note 1. Based on data from 2007, Forbes.com.

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WHY ARE WE DOING THIS?

1. HAVE A POSITIVE IMPACT ON OUR CUSTOMERS

- Influence outcomes to improve the benefits our customers receive
- Improve and focus services to accomplish outcomes
- Provide taxpayers with the benefits they expect and desire for the dollars they pay in taxes

2. COMMUNICATE

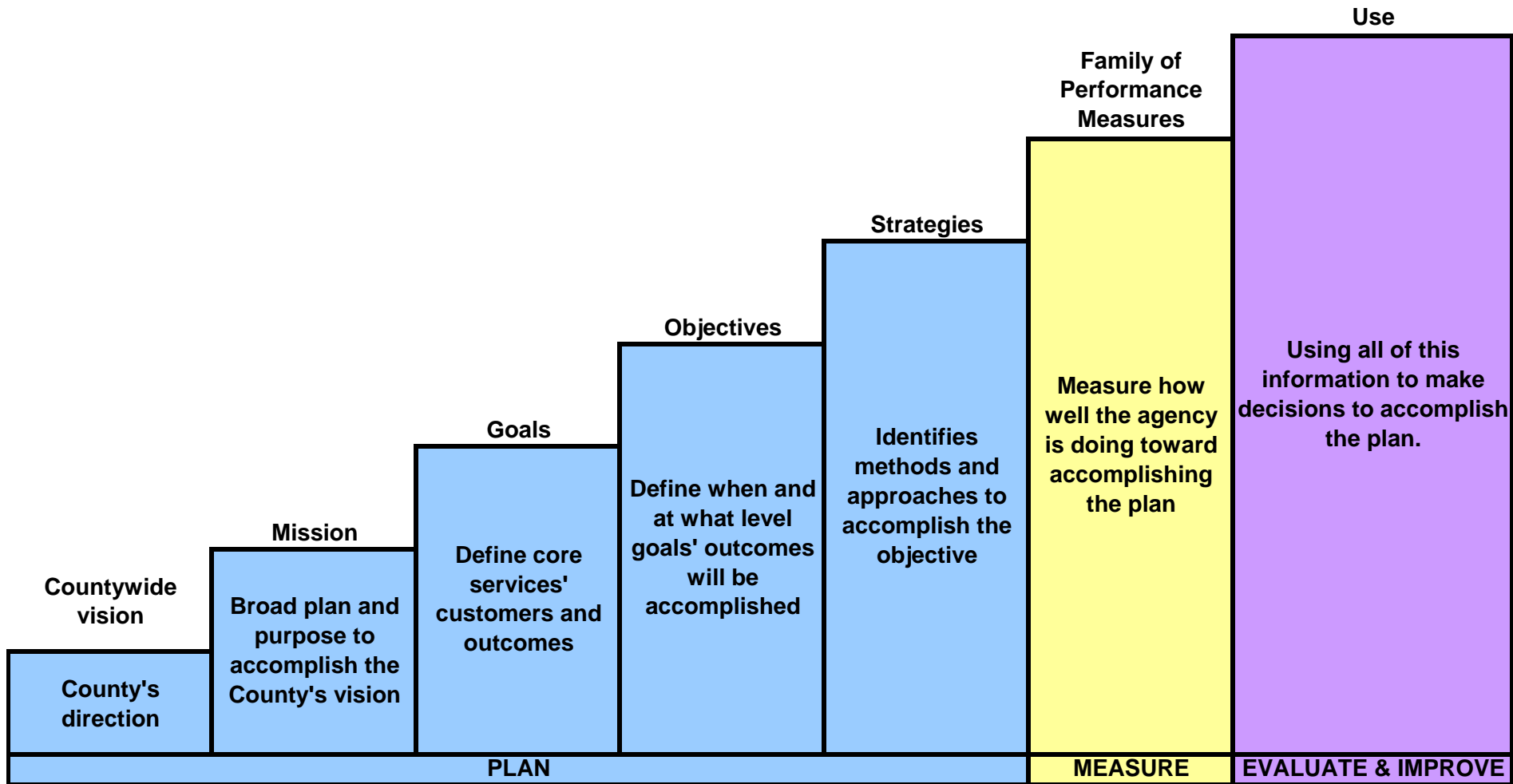
- Inside your agency
 - Direction and purpose of the agency
 - What employees are working toward
- To the County Executive's Office, County Council, and OMB
 - Direction and purpose of the agency
 - Services, customers, and outcomes the agency is responsible for
 - Impacts and explanation of the importance of budgetary changes
 - How the agency works toward accomplishing their outcomes

3. TRANSPARENCY AND ACCOUNTABILITY

- What benefits and results do taxpayers receive for tax dollars paid
- Agency's impact
- How well the agency is performing



OVERVIEW OF COMPONENTS

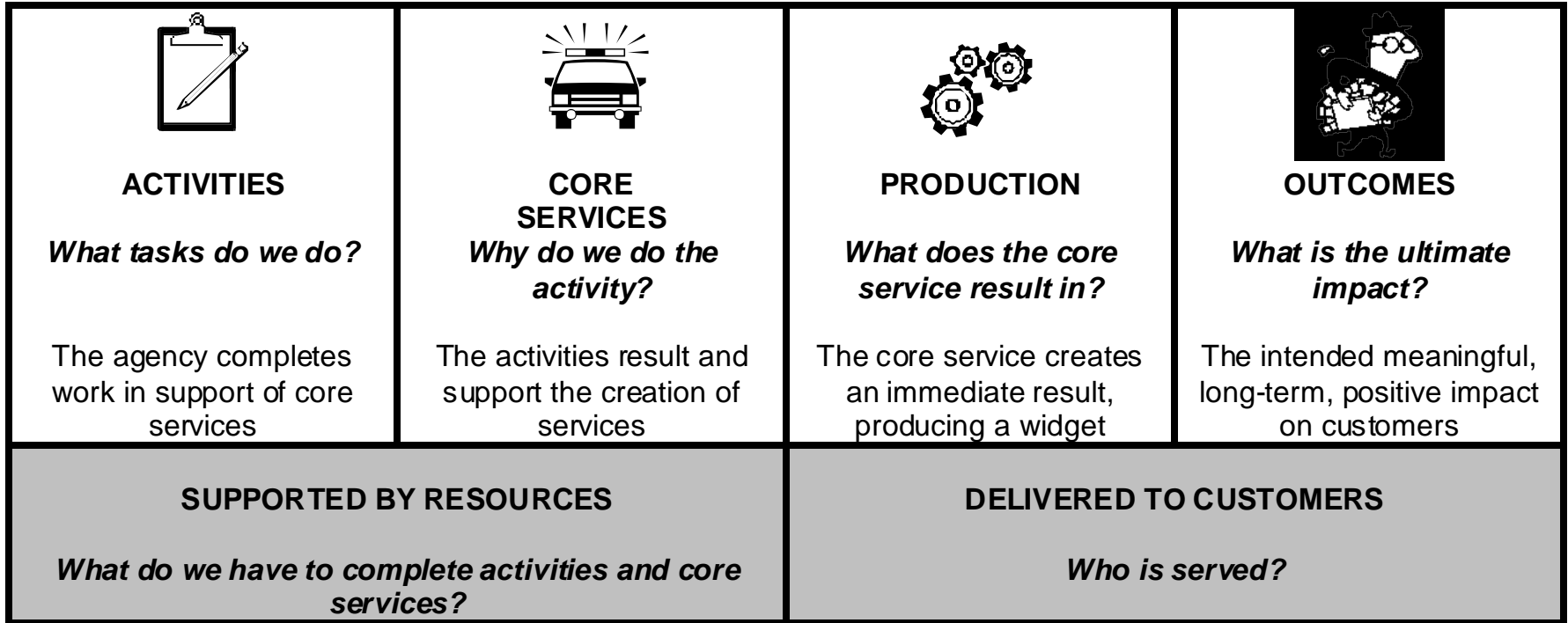


Adapted from a presentation given by Dr. David Ammons to Prince George's County.



OUTLINING OUR WORK – LOGIC MODEL

Approach 1: Start with activities: “Why do I do this?”



Approach 2: Start with outcomes: “How do I achieve this?”



COMPONENTS

Component	What does it tell me?
Countywide Vision	<ul style="list-style-type: none"> • Countywide direction • Countywide focus
Mission	<ul style="list-style-type: none"> • Purpose • Departmental alignment with the vision • Core services, customers, outcomes
Core Services Table	<ul style="list-style-type: none"> • Highlights from the mission
Goals	<ul style="list-style-type: none"> • One core service's customer(s) and outcome
Objectives	<ul style="list-style-type: none"> • The measurable targets and timeframe to accomplish the goal's outcome
Strategies	<ul style="list-style-type: none"> • How to accomplish the objective
Family of Performance Measures	<ul style="list-style-type: none"> • Service delivery performance • How well the agency is performing in accomplishing the objective
Performance Measures Explanation	<ul style="list-style-type: none"> • Description for a layman to understand the trends and conditions of the performance measures
Action Items	<ul style="list-style-type: none"> • Budgetary changes that impact the agency's ability to accomplish their plan



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ABOUT PERFORMANCE BASED BUDGETING

- Buying outcomes
- Communicate the agency's plan, performance, and needs
- Close the gap between actual performance and objective's targets
- View the budget by program

LINE – ITEM VIEW				PROGRAMATIC VIEW
Fund	Account	Center	Amount	Patrol services = \$1,100,000
GF01	511999	500101	\$1,000,000	
GF01	591999	500101	\$50,000	
SR07	522199	500299	\$50,000	
TOTAL			\$1,100,00	

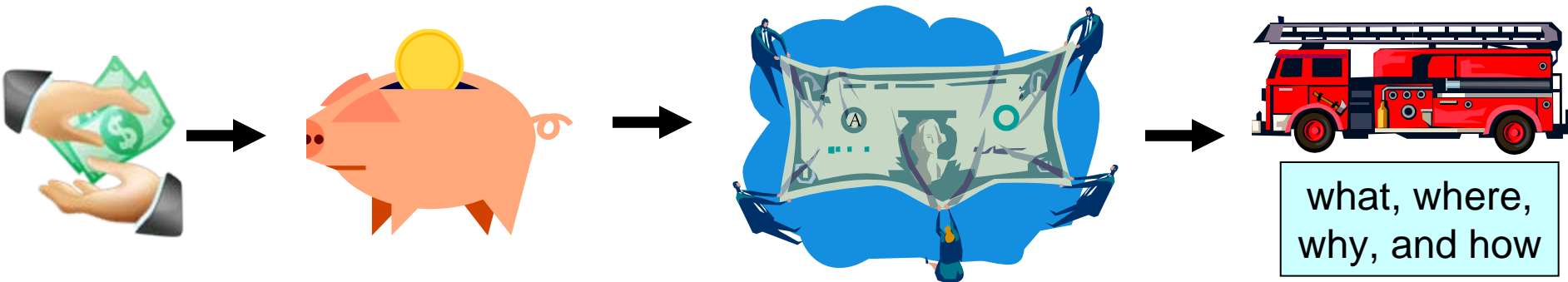
- Working toward and focusing on reaching the objective's targets
 - Remove strategies
 - Reengineer and revise strategies
 - Improve strategies
 - Add strategies



ABOUT PERFORMANCE BASED BUDGETING

MISCONCEPTIONS

- The County has a money tree
 - Resources are limited!
- The budget should be distributed equally between departments
 - The budget reflects priorities
- Budgeting and Charter for Change are not related



- More resources means better performance and less resources means worse performance

ABOUT PERFORMANCE BASED BUDGETING

MISCONCEPTIONS (cont.)

- **Performance based budgeting replaces all other decisions**
 - Communication tool
 - Only part of the decision that includes considerations for:
 - Political
 - Financial
 - Competing priorities
 - Mandates and requirements
 - Line-item changes
 - Internal / external factors
- **Performance based budgeting is not used by the decision makers during the budget process**
 - This is still new, we are working toward this
 - Strong plans and measures as well as a better understanding will facilitate this
- **I should complete my line-item (EXPBUD and budget submission workbook) first then work on performance based budgeting**
 - It will be difficult to do this – should be the reverse



PERFORMANCE BASED BUDGETING - RATING

RATING	1. THE BUDGET SUBMISSION WORKBOOK HAS BEEN SUBMITTED	2. THE BUDGET SUBMISSION WORKBOOK HAS BEEN SUBMITTED ON TIME	3. ACTION ITEMS INCLUDE ALL OF THE FORMULA'S REQUIREMENTS	4. SOME INFORMATION IN THE REQUESTED CHANGES TAB IN THE BUDGET SUBMISSION WORKBOOK IS NOT CORRECT, BUT COULD STILL BE USED BY OMB	5. ALL OF THE INFORMATION IN THE REQUESTED CHANGES TAB IN THE BUDGET SUBMISSION WORKBOOK IS CORRECT AND CAN BE USED BY OMB
0					
1	✓				
2	✓	✓	✓	✓	
3	✓	✓	✓	✓	✓

- 1. The budget submission workbook has been submitted** – submitting the workbook to OMB will result in a score of one
- 2. The budget submission workbook has been submitted on time** – the workbook is sent to OMB by November 13



Account	Action Item	Requested \$ Change from FY 2010 to FY 2011	Description
FY 2010 APPROVED BUDGET		\$100,000,000	
719901		\$884,207	Full time regular compensation.
719901		\$235,693	Vacancy savings which includes attrition.
720199		-\$23,000	Reduction in phone costs due to new voice over internet protocol program.
720399	1.1.1.1 - Discontinue printing of educational handouts for fire prevention to schools in the County which will eliminate the strategy.	-\$21,100	Currently the department distributes 10,000 fire prevention handouts to school children. Our survey has found that 10% children read the handouts and less than 10% give the information to their parents. This is an ineffective approach to distribute fire prevention information.
721199		-\$58,900	Required reduction to training per OMB. All non-mandatory training will be eliminated.
720299	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$4,800	Remove utilities from station 300.
720199	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$1,100	Remove telephone costs from station 300.
722599	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$3,000	Remove office supplies from station 300.
723899	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$20,000	Discontinue building maintenance on station 300.
799199		\$176,841	Fringe rate of 20% applied to full time compensation.
799199		\$47,139	Fringe rate of 20% applied for vacancy savings.
FY 2011 REQUESTED BUDGET		\$101,211,980	



4. & 5. REQUESTED CHANGES TAB

PURPOSE

- Identify all changes to the agency's requested budget from FY 2010 to FY 2011
- Justify the reason budgetary changes are being requested
- Explain the impact of budgetary changes on the agency's ability to accomplish their plan
- Make a cogent and clear argument for the changes in your budget



4. & 5. REQUESTED CHANGES TAB - HOW TO FILL-OUT

ACCOUNT (FIRST COLUMN)

- Identifies the change by account; center identification is not needed
- Because this reflects performance – based changes, an account’s changes may need to be “split” into multiple changes – on multiple rows
 - Full costing

Account	Action Item	Requested \$ Change from FY 2010 to FY 2011	Description
720199		-\$23,000	Reduction in phone costs due to new voice over internet protocol program
720199	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$1,100	Remove telephone costs from station 300



4. & 5. REQUESTED CHANGES TAB - HOW TO FILL-OUT

ACTION ITEM (SECOND COLUMN)

- Identifies the action item related to the budget change
 - May need to be repeated for multiple accounts
 - Full costing
 - Program view instead of account view

Account	Action Item	Requested \$ Change from FY 2010 to FY 2011	Description
720199	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$1,100	Remove telephone costs from station 300
722599	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$3,000	Remove office supplies from station 300
723899	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$20,000	Discontinue building maintenance on station 300



FULL COSTING EXAMPLES

ACTION ITEM	BUDGET CHANGES
<p>Action Item 1.1.1.1 – Reduce the number of handouts at training sessions from 500 to 400 in order to maintain and support the strategy.</p>	<ul style="list-style-type: none"> •Printing: -\$50,000 •Overtime: -\$20,000 •Fringe benefits from OT: -\$5,000
<p>Action Item 1.1.1.2 – Eliminate the leaf collection program which will eliminate the strategy.</p>	<ul style="list-style-type: none"> •Full time regular (compensation): -\$100,000 •Overtime: -\$20,000 •Fringe benefits from full time employees & OT: -\$25,000 •Operating equipment: -\$30,000 •Recoveries from enterprise fund +\$50,000
<p>Action Item 1.1.1.3 – Build a new fire station in order to maintain and support the strategy.</p>	<ul style="list-style-type: none"> •Full time regular (compensation): +\$200,000 •Overtime: -\$20,000 •Fringe benefits from full time employees & OT: +\$125,000 •Operating equipment: +\$30,000 •Operating supplies: +\$10,000



WHEN IS A BUDGETARY CHANGE AN ACTION ITEM

- The budget change will have an impact on the process, level of service delivery, effectiveness, or maintenance/continuation of services
- Sometimes, but not always, includes multiple accounts
- Does not include administrative, across-the-board changes such as salary adjustment changes (COLAs, merits, furloughs) and fringe benefits rate changes

BUDGET CHANGE	ACTION ITEM?
Ten day furlough	No
Reduce printing to distribute fewer handouts at outreach events	Yes
Overtime to support the emergency information program work	Yes
Various salary adjustments	No
Pay additional maintenance on the animal services contract	Yes
Savings from various vacant positions	Depends
Reduce office supplies	Depends



4. & 5. REQUESTED CHANGES TAB - HOW TO FILL-OUT

REQUESTED \$ CHANGE from FY 2010 to FY 2011

- The value of the change – not the total value in the account (or split account)

Account	Action Item	Requested \$ Change from FY 2010 to FY 2011	Description
FY 2010 APPROVED BUDGET		\$100,000,000	
721199		-\$58,900	Required reduction to training per OMB. All non-mandatory training will be eliminated.
720299	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$4,800	Remove utilities from station 300
720199	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$1,100	Remove telephone costs from station 300
722599	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$3,000	Remove office supplies from station 300
723899	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$20,000	Discontinue building maintenance on station 300
FY 2011 REQUESTED BUDGET		\$99,912,200	



4. & 5. REQUESTED CHANGES TAB - HOW TO FILL-OUT

DESCRIPTION (fourth and last column)

- Identify and clearly communicate what change is occurring
- May overlap the action item
- Describe how the item was calculated

BUDGET CHANGE	DESCRIPTION
Printing -\$10,000	Reduce the number of items printed from 500 to 400 at a cost of \$100 per item printed
Overtime -\$20,000	Actual overtime hours used last fiscal year indicates less overtime is needed this year
Operating equipment +\$100,000	Purchase 100 new computers at a cost of \$1,000 each.



4. & 5. REQUESTED CHANGES TAB - HOW TO FILL-OUT

OTHER

- Fill-in the FY 2010 approved line to **MATCH EXPBUD!**
- Make sure the FY 2011 requested budget **MATCHES EXPBUD!**

Account	Action Item	Requested \$ Change from FY 2010 to FY 2011	Description
FY 2010 APPROVED BUDGET		\$100,000,000	
721199		-\$58,900	Required reduction to training per OMB. All non-mandatory training will be eliminated.
720299	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$4,800	Remove utilities from station 300
720199	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$1,100	Remove telephone costs from station 300
722599	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$3,000	Remove office supplies from station 300
723899	2.1.1.1 - Close station 300 in order to maintain and support the strategy.	-\$20,000	Discontinue building maintenance on station 300
FY 2011 REQUESTED BUDGET		\$99,912,200	



3. ACTION ITEMS' REQ. COMPONENTS

DEFINITION

A budgetary change that is programmatic, impacting the strategy and ultimately affects the agency's ability to accomplish the objective

EXAMPLES

- Action item 1.1.1.1 – Increase the number of training classes the County has from 50 to 100 in order to maintain and support the strategy
- Action item 1.1.1.1 – Remove the leaf collection program which will eliminate the strategy
- Action item 1.1.1.1 – Purchase a new computer system in order to support the new proposed strategy

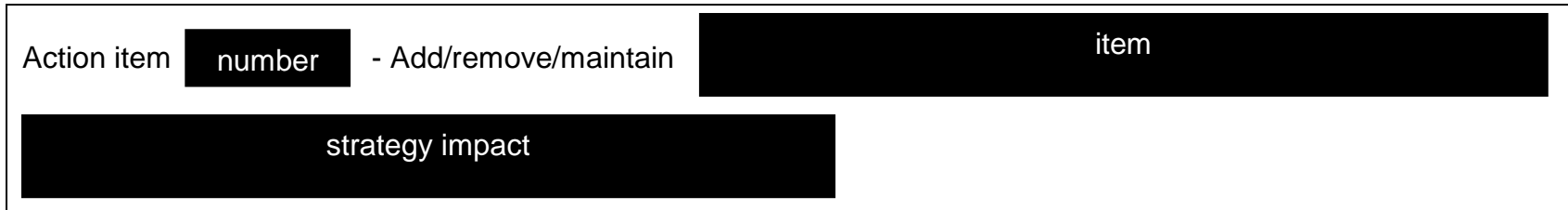


3. ACTION ITEMS' REQ. COMPONENTS

REQUIREMENTS

- The statement must include all required components (items in the black boxes) and be in the order illustrated in the formula
- Have a rational connection with the strategy
- All other text in the formula must be included only the words “add/remove/maintain” may be substituted for synonyms

FORMULA



REQUIRED COMPONENTS

- **Number:** the action item’s number and priority, separated by decimals 1.1.1.1
- **Item:** the change requested in the budget – usually includes a number (but not dollars)
- **Strategy impact:** the anticipated impact on the strategy’s ability to accomplish the objective



3. ACTION ITEMS' REQ. COMPONENTS

RATIONAL CONNECTION TO THE STRATEGY

STRATEGY (1)	ACTION ITEM (1)
Provide job training to citizens and residents who live below the poverty line	Maintain the job training contract in order to maintain and support the strategy
Provide job training to citizens and residents who live below the poverty line	Reduce the number of people trained for jobs from 5,000 to 4,000 which will reduce the strategy's ability to accomplish the objective
Target job training to citizens and residents who live below the poverty line and are receiving unemployment benefits	Reduce the number of people trained for jobs from 5,000 to 3,000 which will reduce the strategy's ability to accomplish the objective
Provide job training to citizens and residents who live below the poverty line	Eliminate the job training program which will eliminate the strategy
Provide community college classes to citizens and residents who live below the poverty line	Add 100 attendance vouchers for those who live below the poverty line to attend community college in order to support the new proposed strategy

Note 1. For presentation purposes the name and number of strategies and action items have been removed.



3. ACTION ITEMS' REQ. COMPONENTS

STRATEGY IMPACT

- **In order to maintain and support the strategy** - the budgetary change will allow for the same or enhanced ability to accomplish the objective
- **Which will reduce the strategy's ability to accomplish the objective** – the budgetary change will negatively impact the strategy's ability to accomplish the objective
- **In order to revise the strategy** – the processes, procedures, operations, focus, etc. have been revised to make the strategy more efficient or effective in accomplishing the objective
- **Which will eliminate the strategy** – the strategy is eliminated
- **In order to support the new proposed strategy** – a new strategy is proposed to be implemented in the budget



3. ACTION ITEMS' REQ. COMPONENTS

FORMULA

Action item **number** - Add/remove/maintain **item**
strategy impact

EXAMPLE

Action item 1.1.1.1 – Remove the leaf collection program which will eliminate the strategy.



HOW TO DETERMINE THE STRATEGY IMPACT

WHAT IS THIS?

- This is how to identify the intended impact of the budgetary change
- Help determine if and when funding should be maintained, reduced, eliminated, or increased
 - If a budgetary change conflicts with the strategy analysis the budgetary change should be reconsidered
 - Constraining factor: limited resources



HOW TO USE ACTION ITEMS TO GUIDE DECISIONS

- **What we know:** there is a reduced number of resources available from last year
- **What we want to do:** focus these limited resources on the most important and effective services
- **How we can accomplish this:**
 1. Eliminate strategies and services that are not aligned with the plan
 2. Improve efficiency or cost-effectiveness
 3. Focus resources on strategies that facilitate accomplishing the agency's objectives and eliminate anything that is ineffective
 4. Prioritize and focus/eliminate/reduce services accordingly



ELIMINATE ITEMS THAT ARE NOT ALIGNED WITH THE PLAN

WHAT IS THIS?

- Removing any program, service, or strategy that is not important for an agency to operate in order for it to accomplish its objectives

WHY?

- If the agency is expending resources on a program, service, or strategy that is not facilitating accomplishing the objective there is no reason for us to continue to operate or pay for it
- Resources are limited

EXAMPLE

Objective 1.1 – Increase the percent of students that go onto college after graduating from 30% in FY 2008 (for presentation purposes, the targets have been removed)

Program – Fast food training academy: a five class program that teaches students how to work as cashiers and food servers in the fast food industry

Strategy 1.1.1 - Ensure all classrooms have plasma screen televisions



IMPROVE EFFICIENCY OR COST - EFFECTIVENESS

WHAT IS THIS?

- Efficiency: reduce the number of resources needed to accomplish the same workload
- Cost-effectiveness: increase the impact of the resources utilized

EXAMPLES

- Contracting services
- Bringing contracted services in-house
- Utilization of computer systems
- Revised processes and practices
- Distribution and deployment of resources to best match workload



FOCUS RESOURCES

WHAT IS THIS?

- A three step evaluation process to determine how effective strategies are

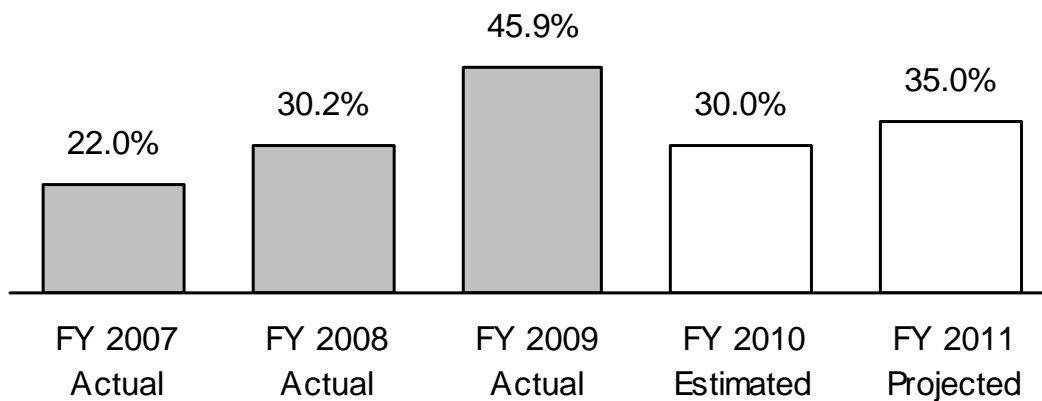
WHY?

- If strategies are effective in accomplishing the objective, than these strategies should be continued or enhanced
- If strategies are ineffective in accomplishing the objective, than these strategies should be revised or discontinued



1. EVALUATE THE OBJECTIVE'S PERFORMANCE

Long Term
Objective Target:
65.0%



PERFORMANCE:	NEEDS IMPROVEMENT		IMPROVING	AT TARGET	ABOVE TARGET
TREND OF OBJECTIVE'S PERFORMANCE MEASURE	Away from Objective's Target	No Trend	Toward Objective's Target	Meeting Objective's Target	Exceeding Objective's Target
COMPARISON BETWEEN PERFORMANCE AND OBJECTIVE'S TARGET	Gap	Gap	Gap	No Gap	Above Target



2. EVALUATE STRATEGIES' PERFORMANCE

Strategy 3.1.1 – Give all animals in our care shots for rabies

Performance measures (1) -

Measure Name	Strategy's Measure	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Estimated	FY 2011 Projected
Number of animals in our care	3.1.1	60	70	80	90	100
Number of animals given rabies shots	3.1.1	60	70	80	90	100
Percent of animals found with rabies	3.1.1	60%	70%	80%	90%	90%

Note 1. Please note, the family of performance measures and most of the descriptive information fields have been excluded for presentation purposes.



2. EVALUATE STRATEGIES' PERFORMANCE

Strategy 3.1.1 – Give 50% of animals in our care shots for rabies

Performance measures (1) -

Measure Name	Strategy's Measure	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Estimated	FY 2011 Projected
Percent of animals given rabies shots in our care	3.1.1	30%	34%	40%	42%	45%
Percent of animals found with rabies	3.1.1	60%	70%	80%	90%	90%

Note 1. Please note, the family of performance measures and most of the descriptive information fields have been excluded for presentation purposes.



3. FINDINGS

ANSWERS THE QUESTION:

How effective are strategies in accomplishing the objective?

1	STRATEGIES:	MAY <u>NOT</u> BE WORKING		MAY BE WORKING		MAY BE WORKING - OVER PERFORMING
2	OBJECTIVE'S PERFORMANCE	ALL OBJECTIVE PERFORMANCE TYPES		IMPROVING	AT TARGET	ABOVE TARGET
3	STRATEGY HAS POSITIVE PERFORMANCE	Yes / No	Yes / No	Yes	Yes	Yes



PRIORITIZATION

ORDER	ITEM
1	Work, programs, and services that are not reflected in the agency's plan and have no impact on accomplishing the agency's objectives
2	Strategies that are not working
3	Low priority strategies
3	Over performing strategies
5	All other strategies, in numeric order



ALIGNING BUDGET CHANGES WITH STRATEGY IMPACTS

- Depending on the strategy impact budget changes should be applied based on the following:
 - Remove funding from ineffective and lower priority services and strategies
 - Focus funding to maintain and improve performance
 - Reduce funding to effective strategies based on priority



TYPES OF BUDGETARY CHANGES

- **Maintenance** – costs that are required to continue operations and the strategy
- **Workload alignment** – changes in resources to best match demand for service
- **Realized efficiency** – reduce the need for resources which will result in the same or improved ability to operate
- **Enhancement** – increase the scope, size, or amount of services delivered
- **Reduction to operations** – decrease in the scope, size, or amount of services delivered
- **New mandate or directive** – County Executive, County Council, Federal or State governments are requiring the agency to implement a new program/service, remove/reduce a program/service, or revise their current operations



TYPES OF BUDGETARY CHANGES

HOW TO ACCOMPLISH	STRATEGY IMPACT STATEMENT	BUDGETARY CHANGE
Eliminate strategies and services that are not aligned with the plan	<ul style="list-style-type: none"> ▪ Which will eliminate the strategy ▪ None – an elimination of something that is not included 	<ul style="list-style-type: none"> ▪ Reduction to operations
Improve efficiency or cost effectiveness	<ul style="list-style-type: none"> ▪ In order to maintain and support the strategy ▪ In order to revise the strategy 	<ul style="list-style-type: none"> ▪ Workload alignment ▪ Realized efficiency ▪ Enhancement
Focus resources on strategies that facilitate accomplishing the agency's objectives and eliminate anything that is ineffective	<ul style="list-style-type: none"> ▪ In order to support the new proposed strategy ▪ In order to maintain and support the strategy ▪ Which will eliminate the strategy 	<ul style="list-style-type: none"> ▪ Maintenance ▪ Workload alignment ▪ Enhancement ▪ New mandate or directive ▪ Reduction to operations
Prioritize and focus/eliminate/reduce services accordingly	<ul style="list-style-type: none"> ▪ Which will reduce the strategy's ability to accomplish the objective ▪ In order to maintain and support the strategy ▪ Which will eliminate the strategy ▪ In order to support the new proposed strategy 	<ul style="list-style-type: none"> ▪ Maintenance ▪ Workload alignment ▪ Enhancement ▪ Reduction to operations ▪ New mandate or directive



AGENDA

- I. Review from last session
- II. Performance based budgeting (includes action items)
 - I. Requirements and rating
 - II. Explanation and instructions
- III. Data reporting
 - Requirements and rating
 - Explanation and instructions
- IV. Data audit
- V. Charter for Change rating summary and awards



DATA REPORTING

WHAT IS THIS?

The regular reporting of data for the agency's performance measures

WHY ARE WE DOING THIS?

- Allow for the review and evaluation of data
- Improve service delivery through data-driven decisions
- Ensure accountability



HOW TO SUBMIT – USING SHAREPOINT

1. Go to <http://pgcintra/SiteDirectory/CFC/>
2. Go to the “Shared Documents” folder



Type	Name	Modified By
Folder	Training	Useem, Gregory
Folder	CFC Documents	Useem, Gregory
Folder	EMAP	Useem, Gregory
Folder	Newsletter	Useem, Gregory
Folder	Data Reporting	Useem, Gregory
Document	Government Finance Review - GFOA - April 09	Useem, Gregory
Document	Charter for Change Manual FY 2010	Useem, Gregory

Add new document

3. Select the “Data Reporting” folder



Type	Name	Modified By
Folder	Training	Useem, Gregory
Folder	CFC Documents	Useem, Gregory
Folder	EMAP	Useem, Gregory
Folder	Newsletter	Useem, Gregory
Folder	Data Reporting	Useem, Gregory
Document	Government Finance Review - GFOA - April 09	Useem, Gregory
Document	Charter for Change Manual FY 2010	Useem, Gregory

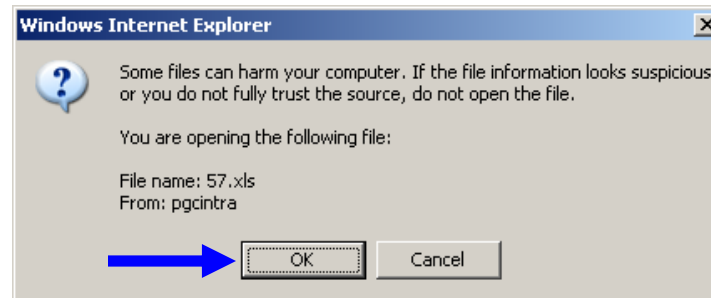


HOW TO SUBMIT – USING SHAREPOINT

4. Open the file for your agency from the list, named by center number; for example, 50.doc = Police Department, (if agency is not seen on initial screen scroll down and click “more items” to get a complete list of agencies)

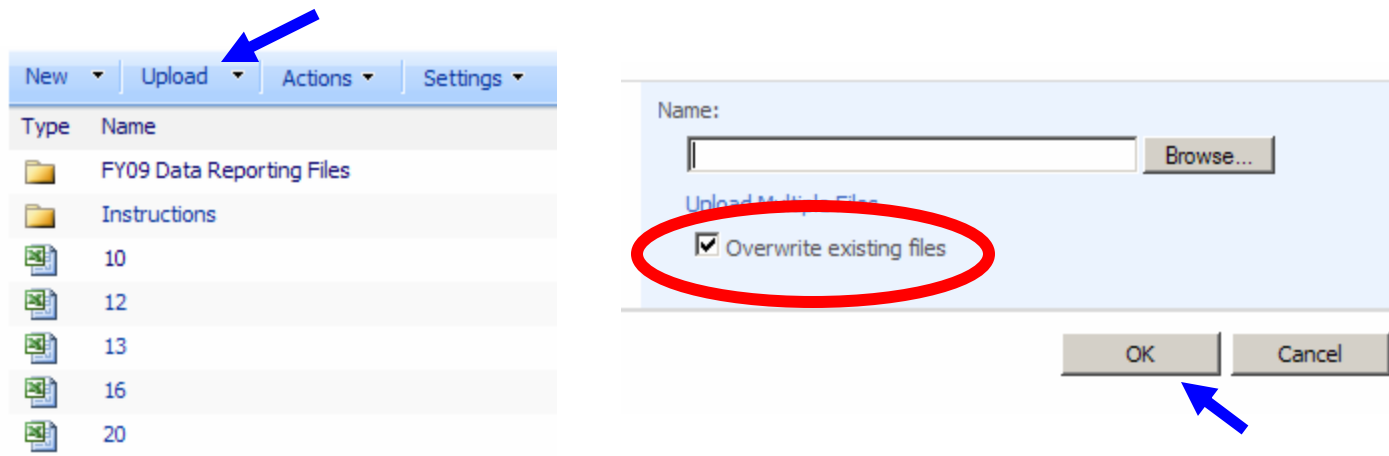


5. Click “OK” to open your agency’s file in MS Excel



HOW TO SUBMIT – USING SHAREPOINT

6. Save the file onto your computer and make the necessary data entries
7. Once data has been entered, save the document (make sure the file name is the agency's number with no other information except the file extension, e.g. 37.xls) and return repeat steps 1-3
8. Click “upload” and browse for your document and select override existing file then select “OK”



9. You must remember to send an email to your assigned budget analyst and cc: Rushane Jones to complete the process



DATA REPORTING DEADLINES

- All data submissions are due by the the close of business for each deadline listed
- Submissions are considered complete only after an email is sent to the assigned budget analyst with cc: Rushane Jones

Month of Data	Agency Submits Data
July	September 30
August	
September	November 30
October	
November	January 28
December	
January	March 31
February	
March	May 28
April	
May	July 30
June	



DATA REPORTING RATING

RATING	1. DATA WAS REPORTED	2. ALL DATA WAS REPORTED	3. ALL DATA WAS REPORTED ON TIME	4. ALL DATA REPORTED WAS ACCURATE
0				
1	✓			
2	✓	✓	✓	
3	✓	✓	✓	✓



DATA REPORTING RATINGS

RATING OF “1” - DATA WAS REPORTED

Some, if not all of the performance measure must have data reported at least once during the current reporting period (January-December 2009)

RATING OF “2” - ALL DATA WAS REPORTED

According to reporting frequency described in the performance measure’s descriptive information all data was reported on schedule

RATING OF “3” - ALL DATA WAS REPORTED ON TIME

Data reporting submissions were all received on time based on due dates

RATING OF “4” - ALL DATA REPORTED WAS ACCURATE

Reported data was free of errors, which includes typos



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DATA AUDIT

WHAT IS A DATA AUDIT?

A bi-annual review of performance measures' data from selected agencies

PURPOSE

To ensure accurate performance measures data

WHY ARE WE DOING THIS?

- Performance data is reported to various users for their consumption
 - Public for review
 - Budget analysts for formulation of budget
 - County management for guidance in making decisions
- Inaccurate data
 - Adversely impacts the transparency of the government
 - Hinders data-driven decisions and evaluations
 - Obstructs improvement of agency performance



AUDIT PROCESS

REVIEW DATA

- OMB PMU selects 1-4 performance measures tables to be audited
- Selected agencies submit all data sources, reports, calculations and any other information that will verify the performance information

REPORT AND IMPLEMENT FINDINGS

- Detailed findings of the audit with any recommendations will be prepared and submitted to all stakeholders
- Final recommendations must be employed
- If recommendations are not implemented, performance data will be removed (resulting in a negative impact on the agency's CFC rating)



AUDIT PROCESS – SAMPLE QUESTIONS

- Are all the required cells filled in?
- Is the measure relevant to accomplishing the objective?
- Is the measure category correct?
- Is the methodology an accurate explanation of the procedures used to collect/calculate the data reported?
- Is the favorable trend correct?
- Does the data source appear valid?
- Was the auditor able to duplicate the data reported using the methodology and data source?



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RATING AREAS AND TOTAL POINTS

AREA	TOTAL POSSIBLE POINTS
Mission	3
Goal	3
Objective	3
Strategy	3
Family of performance measures	3
Performance measures explanation	3
Performance based budgeting	3
Data Reporting	3
Agency performance rating	3
TOTAL	27



AGENCY PERFORMANCE RATING

RATING	1. OBJECTIVES CAN BE COMPARED WITH AND TRACKED WITH PERFORMANCE MEASURES	2. STARTING IN FY 2008, SOME OBJECTIVES HAVE IMPROVED PERFORMANCE	3. FROM 2008 – 2010 ALL OBJECTIVES HAVE IMPROVED PERFORMANCE (1)	4. IT IS ANTICIPATED THAT THE AGENCY WILL MEET OR EXCEED IT'S 2010 OBJECTIVE TARGET
0				
1	✓			
2	✓	✓		
3	✓	✓	✓	✓

- 1. OBJECTIVES CAN BE COMPARED WITH AND TRACKED WITH PERFORMANCE MEASURES** – this requires an objective to have a performance measure
- 2. STARTING IN FY 2008, SOME OBJECTIVES HAVE IMPROVED PERFORMANCE**
- 3. FROM 2008 – 2010 ALL OBJECTIVES HAVE IMPROVED PERFORMANCE**
- 4. IT IS ANTICIPATED THAT THE AGENCY WILL MEET OR EXCEED IT'S 2010 OBJECTIVE TARGET**



AGENCY PERFORMANCE RATING

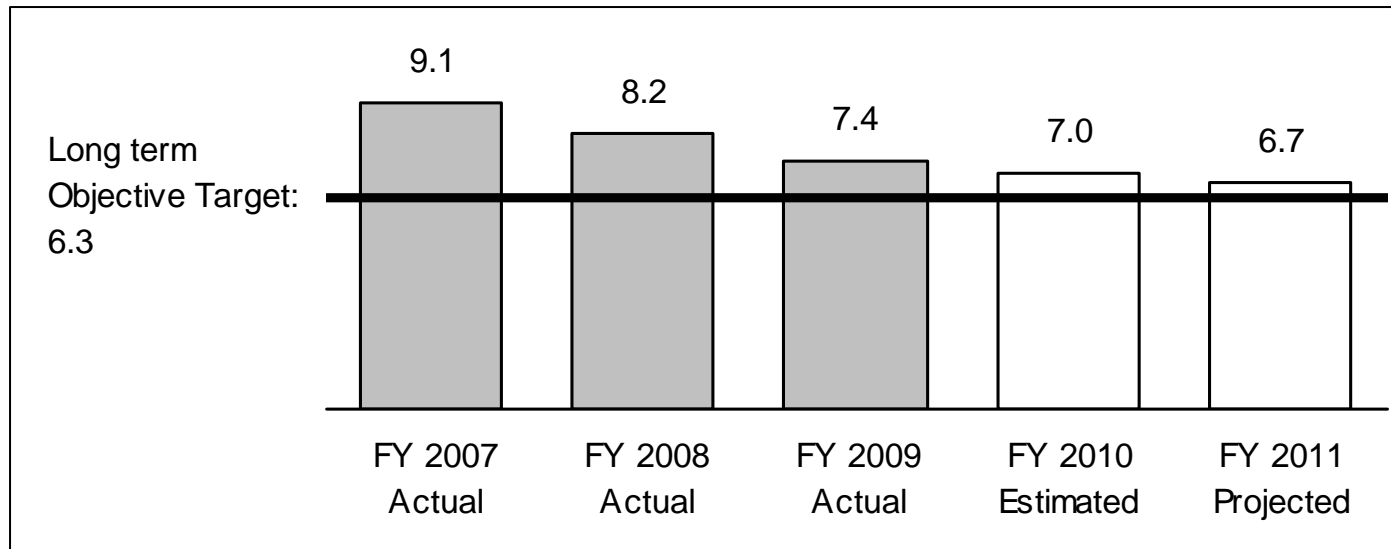
2. STARTING IN FY 2008, SOME OBJECTIVES HAVE IMPROVED PERFORMANCE
3. FROM 2008 (or 2009) – 2010 ALL OBJECTIVES HAVE IMPROVED PERFORMANCE
4. IT IS ANTICIPATED THAT THE AGENCY WILL MEET OR EXCEED IT'S 2010 OBJECTIVE TARGET

Objective 1.1 – Reduce the number of incidents of crime from 8.2 per 1,000 residents in FY 2008

-Short term target: By FY 2010 – 7.1

-Intermediate term target: By FY 2013 – 6.8

-Long term target: By FY 2016 – 6.3



AGENCY PERFORMANCE RATING

A WORD OF CAUTION:

- Make sure the data reported is accurate – do not inflate/deflate performance data
 - Data audits will be conducted by OMB
- OMB analysts regularly review agency reported data
- Inaccurate data may lead to public transparency and accountability issues
- Problems may arise from making decisions using inaccurate data



RATING AREAS AND TOTAL POINTS

AREA	TOTAL POSSIBLE POINTS
Mission	3
Goal	3
Objective	3
Strategy	3
Family of performance measures	3
Performance measures explanation	3
Performance based budgeting	3
Data Reporting	3
Agency performance rating	3
TOTAL	27



RATING AREAS AND SCORES

RATING AREA	SCORE RANGE	PERCENT RANGE
Excellent	22 - 27	80% - 100%
Good	16 - 21	57.5% - 79.9%
Fair	10 - 15	36% - 57.4%
Needs significant improvement	0 - 9	0% - 35.9%



AWARDS

- **Highest Achievement Award:** The Charter for Change rating is within the “excellent” rating area
- **Achievement Award:** The Charter for Change rating is within the “good” rating area
- **Improvement Award:** The Charter for Change rating has improved from one rating area to another (i.e. “good” to “excellent”)
- **Performance Award:** Indicating outstanding service delivery performance, this award is for agencies that receive a score of three in the agency performance rating area



WRAP-UP

- Remember, OMB can assist you with any and all Charter for Change questions / problems – do not hesitate to contact us
- Remember to fill out a review form
- Thank you!

