

Approved Budget

Attachment

Performance Measures



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DALLAS COUNTY OFFICE OF BUDGET AND EVALUATION

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TO: Commissioners Court, Elected Officials
Employees and Citizens of Dallas County

FROM: Ryan Brown
Budget Officer

SUBJECT: **FY2002 Performance Indicators**

Introduction

This attachment to the Approved FY2003 Budget for Dallas County's fiscal year which begins on October 1, 2002 and ends on September 30, 2003 contains information on each department's performance indicators and on the system that has evolved to integrate these indicators into the County's resource allocation process.

Performance reporting at Dallas County has progressed through several stages over the last five years. The following table traces the evolution of the current system:

FY94	First Quarterly Management Report published;
FY96	Juvenile Department Recidivism Report published;
FY97	Justice System Workload and Efficiency Measures Report published;
FY98	Major Infrastructure Project Review published;
FY99	Countywide training on performance indicators; Performance Indicators required for departments requesting new resources;
FY2000	Performance indicators required for all departments;

In FY99, a monthly "Performance Forum" was initiated in which performance indicators are reviewed and selected departments make in-depth reports on programs of particular interest. Departments that miss important targets are invited to discuss reasons for these results and/or revisions to performance targets at the next Performance Forum.

This document contains the FY2002 year-end issues of the County's performance reports. During the year, these reports are produced quarterly (in the case of operation budget indicators) or semi-monthly (in the case of capital and technology indicators). All performance data included herein is in addition to regular monthly reporting by the County Auditor of accounting data by department and by line item.

Management Report Structure

Dallas County regularly produces a five-volume management report. These reports are as follows:

- *Volume I - Management Overview* -a quarterly compilation of key workload and financial statistics displayed as long-term trends;
- *Volume II - Judicial System Workload and Efficiency Measures* - a quarterly performance report devoted exclusively to the workload and efficiency of the judicial system;
- *Volume III - Performance Indicator Report* - a quarterly update on all performance indicators graded against targets;
- *Volume IV - Juvenile Department Recidivism Measures* - a quarterly performance report on the outcomes of the County juvenile operations, as measured by repeat offenses;
- *Volume V - Major Projects and Major Technology Review* - a bimonthly review of the large construction and software development projects with a comparison of milestones and a discussion of problem areas.

Although other smaller reports are made available from individual departments, the above five reports are the most comprehensive and have been focused over the years to expose problem areas in their early stages of development.

The set of interim performance reports described above was awarded a National Association of Counties Achievement Award in FY98.

Summary of Management Reports

The following paragraphs provide summary information on the type of data contained in each report. Each report is made available to the public and all meetings at which they are discussed are open to public comment. The final FY2002 issue of each report is contained behind the appropriate tab in this document.

Volume I - Management Overview- this report is produced by the Office of Budget and Evaluation and is organized by the functional categories of County departments. All large departments have one or more workload trend indicators included in the report. The Budget Analyst assigned to each department produces a narrative that focuses on data that appears to be departing from historical trends or budgetary expectations.

Volume II - Judicial System Workload and Effective Measures - this report is a comparative study of the County's courts - an \$88 million operation under the control of 75 Elected Officials (Judges, District Attorney, County and District Clerks). Both workload and performance indicators are provided with special emphasis on the controllable portion of the expenditures, such as court-appointed counsel and use of visiting judges.

The primary performance measure used is "*cost per disposition*" of a case, measured in a consistent manner. Trends in these costs may reflect the efficiency of the judge, or may reflect unavoidable costs such as a high number of (expensive) capital murder cases. The narrative is expected to explore these nuances and provide a fair explanation to a complex phenomenon.

Volume III - Performance Indicator Report - beginning with the FY99 budget, departments were expected to accompany any request for new resources with performance indicators that could be used to judge the success of the newly-funded operations. Starting with the FY2000 budget process all departments were required to develop performance indicators and targets whether or not they were requesting new or expanded programs. Performance indicators are usually a combination of output measures, efficiency measures, and outcome measures. The quarterly Performance Indicator Report provides the Court with opportunities to track the progress of the performance indicators.

The Commissioners Court recognized that accumulating and reporting data on outcomes is simply the first (and perhaps easiest) step in accomplishing a true performance based budget. Accordingly, the system in use makes use of the following additional steps in integrating outcome data into decision making:

- Each outcome and efficiency measure is assigned a negotiated target for the forthcoming fiscal year;
- Each quarterly report contains narrative discussion of each indicator prepared jointly by the department and the Office of Budget and Evaluation;
- Each performance indicator is "graded" against its target by the Office of Budget and Evaluation, with due regard for seasonal effects and other measures that illuminate the underlying causes of good or bad performance;
- Performance indicators that fail to meet their targets are subject to progressively meaningful corrective steps, such as 1) inclusive on a "watch" list, 2) written requests to a department head to explain substandard performance, 3) assignment of a member of the Commissioners Court to investigate the data on behalf of the entire court, and 4) an invitation to appear at a performance forum. Typically, these steps are sequential and result in reversal of the negative trend, cancellation of the program, or other corrective action;
- Performance indicators that consistently meet targets are formally recognized;

- Performance indicators related to recently-added resources are given additional visibility, as a check on the “promises” made during the request for resources;
- Performance indicators are discussed monthly at the Performance Forum, and at the beginning of each annual budget hearing.

Volume IV - Recidivism Report - the Juvenile Recidivism Report was the recipient of the 1996 National Association of County’s “*Achievement Award*,” and is arguably the most comprehensive examination of outcomes in a juvenile department available in the nation. The County spends millions of taxpayer dollars to rehabilitate youthful offenders by providing them therapeutic residential environments and community-based aftercare, often at costs of \$98 to \$135 per day of treatment. The Juvenile Recidivism Report tracks the juveniles at various times *after* the juvenile system has made its best efforts to transform the juvenile into a productive, rule-following society member.

Volume V - Major Projects and Major Technology Review - this bimonthly report is accompanied by an extraordinary session of the Commissioners Court to review the progress of each large construction or development program currently planned or underway. The staff typically calls attention to projects with potential funding, scheduling or design problems, so that management can focus on these problems. Senior managers from involved departments participate in drafting the report and the review session that follows.

Other Methods - in addition to these formal reports, performance goals may be assigned on a per-project basis as a result of a new program being approved. Also, annual performance reviews with each appointed Department Head offer an opportunity for the Commissioners Court to express their policy direction related to performance targets for the upcoming fiscal year.

Summary

Dallas County’s commitment to accountability through performance reporting is deep-rooted. The performance reports are constantly being reevaluated and departmental targets are often revised when new information is presented. It is anticipated that progress toward performance goals will become an increasing factor in resource allocation in subsequent years.