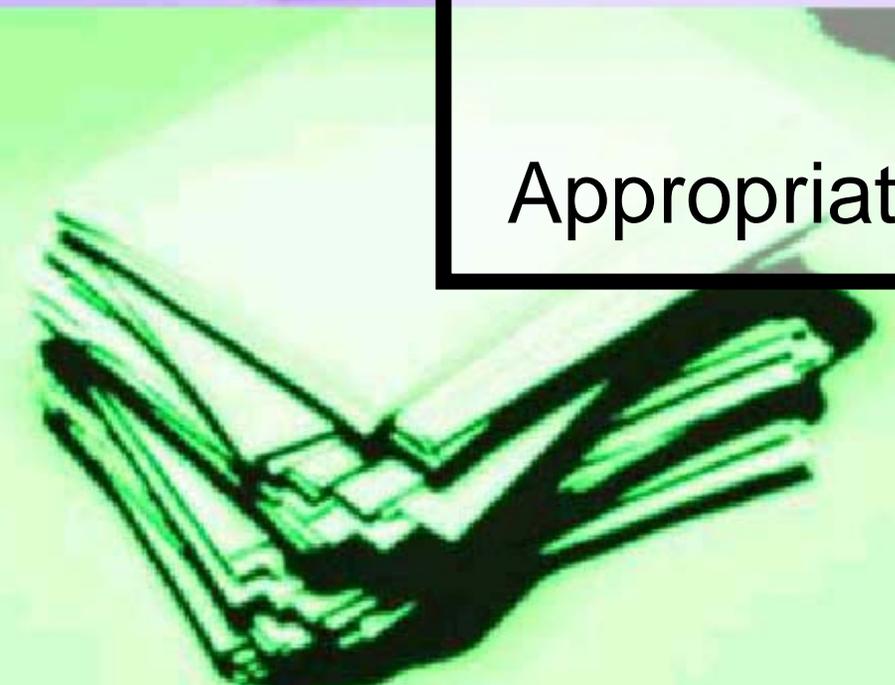
A stack of papers, slightly blurred, with a purple and blue color cast, located in the top-left quadrant of the slide.A clock face, slightly blurred, with a purple and blue color cast, located in the top-right quadrant of the slide.

# **New Budget Narrative Instructions for FY 2008**

A stack of papers, slightly blurred, with a green and blue color cast, located in the bottom-left quadrant of the slide.A clock face, slightly blurred, with a yellow and orange color cast, located in the bottom-right quadrant of the slide.

Part of the  
Appropriation Request Materials



# Major Narrative Changes I

- Programs will no longer detail *Mission, Goals/Objectives* and *Performance Measures*, but you may need some of the latter two for division levels
  - Most significant change in narratives in 12 years
  - Far too much detail in narratives
  - **A budget narrative is not the place to describe everything an agency does**

# Major Narrative Changes II

- Division *Goals/Objectives* may relate back to department or bureau or constitutional office *Goals/Objectives*
- Consider carefully which *Goals/Objectives* and *Performance Measures* will represent your agency

# Major Narrative Changes III

- *Performance Measures* should be correlated to *Goals/Objectives*
- *Performance Measures* should be either efficiency or effectiveness type
- Fewer *Operations*, fewer *Goals/Objectives*, fewer *Performance Measures*, but higher quality
- Your agency's narrative length may be reduced by over half



# Organizational Levels for Narratives

- Constitutional officer, department or bureau
- Division or agency (a primary entity of government)

# Constitutional Officer, Department or Bureau

- Organizational chart
- *Mission* statement (defined in division level)
- *Goals* (defined in division level)



# Divisions

- *Mission*
- *Operations*
- *Goals/Objectives*
- *Programs*
- *Performance Measures*



# *Mission Statements*

- States the reason for an agency's existence:
  - What unique product or service do you provide?
  - Who is your client or target group?
  - Why is your product or service of benefit?
  
- May state what an agency foresees for the future

# Good Examples of *Mission* Statements

- The Office of the Governor develops policies and goals to achieve the Governor's vision for West Virginia by growing the West Virginia economy and enhancing the quality of life for every West Virginian. The key areas of focus for the administration are: state security, economic development, education, responsible government, and health care.
- The Department of Administration's mission is to provide quality support services for state agencies and employees, safeguard the financial resources of the citizens of West Virginia, and promote the ethical expenditure of public funds.

# Examples of *Mission* Statements that can be Improved

- Promoting a healthy environment. *(It doesn't answer the questions a Mission statement should answer—it's more of a vision statement or a slogan)*
- The mission of the Department of Revenue is to administer, interpret, and enforce West Virginia revenue laws; to efficiently collect the proper amount of revenues due the State; to fairly and economically administer laws pertaining to the sale and consumption of alcoholic beverages; to oversee the fairness and financial stability of State financial businesses and the insurance industry in a way that will benefit all West Virginians; to constantly safeguard the integrity of regulated gaming activities and the integrity of amateur, professional, and semiprofessional boxing events; to serve as fiscal agent for general obligation bonds issued by local government entities; to serve as staff in preparing the Governor's annual budget in accordance with the State Constitution; to implement and execute the budget after enactment by the Legislature; and to inform and otherwise serve the citizens of West Virginia, all in a manner that maximizes voluntary compliance, provides meaningful assistance, and builds confidence in frugality, integrity, effectiveness, and fairness. *(It should not be a listing of operations)*



# *Operations*

- Detail of the activities and/or functions of the division
- These activities should be relatively unique to the division (do not list items such as payroll, purchasing, inventory, management and administrative support, accounts payable, personnel issues, promulgate rules, prepare reports, maintain files, handle inquiries, draft correspondence, etc., since most agencies do these things).



# Good Examples of *Operations*

## Archives and History Section

- Operate the Archives Library as a repository for public and historical records and assist the public with access to those records.
- Collect and preserve historical and genealogical records, publications, photographs, audiovisual material and microfilm.

## Museums Section

- Operate the agency's museums and historic sites.
- Preserve, present, document and conserve the state's collection of artifacts.
- Plan and execute the agency's calendar of events and programs, including festivals, theater productions, concerts, conferences and workshops.

# Examples of *Operations* that can be Improved

## Administrative Technology

***Provide information needed for educational decision-making in a timely manner.***

- Administer and support the West Virginia Education Information System (WVEIS) for schools and boards of education.
- Produce and distribute Report Cards to parents, school administrators and concerned citizens.
- Produce statistical reports needed by local, state and federal agencies.
- Provide resources and technical assistance to department staff in the design and implementation of effective program evaluations.
- Maintain the internal and wide area network connecting schools, boards of education, and WVDE to WVEIS and the Internet.

*(These may be legitimate activities, but they are far too detailed)*



# Department and Bureau *Goals/Objectives*

- Consider providing *Goals/Objectives* to your divisions in advance so they can correlate their *Goals/Objectives*
- If you don't already, consider reviewing the *Goals/Objectives* and *Performance Measures* of your divisions' since those items reflect on your department/bureau

# Constitutional Officer *Goals/Objectives*

- If there are divisions, their *Goals/Objectives* may correlate to the *Goals/Objectives* of the constitutional officer





# Goals

- Issue-oriented statements
- What an agency intends to accomplish to fulfill its *Mission*
- Department level *Goals/Objectives* should be more in the nature of broad (general) goals, whereas
- Division *Goals/Objectives* should be more specific and may relate to those of the bureau, department, or constitutional officer



# *Objectives*

- *Objectives* are:
  - Statements of activities related to achieving a goal
  - Targets for specific actions
    - Detailed
    - Quantifiable
    - Time-Specific

# Good Examples of *Goals/Objectives*

## **Promote voter registration and education to all generations.**

- Provide 350 voter registration opportunities per year by FY 2008.
- Establish two sustainable voter education/public awareness initiatives by the end of 2007.
- Visit 275 election officials per year by FY 2007.
- Visit 100% of the high schools in West Virginia by 2007

## **Successfully implement the Data Reengineering and Modernization (DREAM) project utilizing the remittance processor funding.**

- Increase to 70% the checks presented by image to the State's financial institution by FY 2008.
- Expand to 80% the data captured through automated recognition technologies by FY 2008.

# Examples of *Goals/Objectives* that can be Improved

## **Protect coldwater fisheries resources and habitat.**

- Monitor fish populations and water quality in coldwater streams.
- Review and comment on state and federal agency activities that could adversely impact coldwater resources.
- Review applications for state and federal permits that could impact coldwater resources.

## **Stimulate park lodging sales.**

- Oversee activities of group sales efforts.
- Initiate advertising efforts.
- Assist with travel show logistics and staffing.
- Develop package plans.

*(Both examples are mixed with operation statements and neither have any specific targets to accomplish)*



# Programs

- Agency selects the *Programs*
  - For a program, the financial details must be available on the agency's AR10s and AR11
  - Describe the program in one or two sentences
  - Include the estimated Full Time Equivalent (FTE) positions associated with the program (as on AR10)
  - Include the estimated program cost (plus administrative support) at current level request (as on AR10)
- Alphabetical, but may be grouped by sections (also alphabetical)



# Examples of *Program Descriptions*

## **Governor's Honors Schools**

- Designed to stimulate and support excellence in education through a multiweek summer program, the academy operates an academically rich environment designed to honor high ability/high achieving students in an institution of higher education, challenging students to grow intellectually and creatively in a culturally diverse learning environment.

FTE: 1.0

Annual Program Cost: \$420,065

## **EPSCoR**

- The West Virginia EPSCoR Office is responsible for development, administration, management, and implementation of the state's experimental research improvement program by building research competitiveness within institutions, individual researchers, research teams and collaborations among institutions throughout the state.

FTE: 3.0

Annual Program Cost: \$550,000



# Performance Measures

- *Performance Measures* should be linked to an agency's *Goals/Objectives*
  - Reflects the division's extent of achievement
  - Describes what you do directly for your customers
  - Likely to be viewed by the public as a benefit
- Should NOT be **WORKLOAD** measures
  - Indicates the amount of work performed or services rendered
  - Describes the necessary work done daily to deliver the program
  - Reflects more the work performed vs. the extent of achievement of the program's objectives
  - Not likely to be viewed by the public as a benefit



# *Performance Measures*

- Should be efficiency or effectiveness type *Performance Measures*
  - EFFICIENCY = Reflects the relationship between work performed and the resources required to perform them
  - EFFECTIVENESS = Depicts the degree to which performance objectives are achieved or reflects the quality of performance
- Fewer *Performance Measures*
- 3 to 5 *Performance Measures* for a division (versus 1 to 3 for each program)

# Good Examples of *Performance Measures*

## Performance Measures

Fiscal Year	Actual 2004	Actual 2005	Estimated 2006	Actual 2006	Estimated 2007	Estimated 2008
<b>Deliver all projects on time and on or under budget.</b>						
Projects delivered on time	88%	91%	95%	95%	95%	95%
Projects completed within budget	80%	88%	90%	90%	90%	90%
<b>Bill above 60% of all hours worked by FY 2008.</b>						
Projects billed above 60% of all hours worked	N/A	45%	50%	48%	50%	50%
<b>Issue and mail decisions within 30 working days after the cases are ready for decision, as required by law.</b>						
Decisions mailed within 30 working days (statutory compliance)	88%	89%	80%	72%	65%	65%
Decisions mailed within 60 working days	99%	97%	95%	97%	85%	85%

# Good Examples of *Performance Measures*

## Performance Measures

Fiscal Year	Actual 2004	Actual 2005	Estimated 2006	Actual 2006	Estimated 2007	Estimated 2008
<b>Inspect each timber harvesting operation three times (i.e., during initial start, middle, and closeout) by 2012.</b>						
Percent of goal for inspections of timbering operations	50%	53%	60%	55%	60%	70%
<b>Maintain the revenue of the state parks at a minimum of 60% self-sufficiency.</b>						
Self-sufficiency of the state parks	61%	58%	61%	60%	60%	60%

# Examples of WORKLOAD *Performance Measures*

## Performance Measures

Fiscal Year	Actual 2004	Actual 2005	Estimated 2006	Actual 2006	Estimated 2007	Estimated 2008
Commission meeting	N/A	N/A	4	4	6	4
Electronic voting systems evaluated	N/A	N/A	8	4	3	2
Electronic voting systems approved	N/A	N/A	N/A	4	3	2
Summer students	323	233	400	64	250	250
Federal funding provided	\$16,000	\$11,064	\$10,000	\$14,852	\$10,000	\$10,000

*These are workload measures—just counting things—and are neither efficiency or effectiveness measures. It is not good if the performance measures do not relate to any specific objectives.*

*The last measure regarding federal funding may be of importance to an agency, but it is neither a measure of effectiveness nor efficiency and is not the type of performance we are requesting.*

# Formatting Narratives

- Use a single space between sentences
- Acronyms
  - Spell out and define the first time each acronym is used
  - Include all acronyms with explanations in a separate list (alphabetical) submitted with your narrative
- Avoid manual page breaks (CONTROL + ENTER)



# Formatting

## *Performance Measures*

- Use tabbed columns for Six-column *Performance Measures*
  - Use single tab between each column
  - Do not use the spacebar to align
  - Do not use a table
- If using statistics with decimal points, use the same number of decimal points across that row



# Submitting Narratives

- Org chart changes may be written directly on last year's printout
- Make sure all *Performance Measures* have been updated
- Submit one printed copy and one copy on diskette to the State Budget Office by September 1<sup>st</sup>



# Exceptions

- We recognize that what works for one agency may not work for another, so the State Budget Office may customize a particular agency's narrative
- Contact Diana L. Schwab at 558-5890 if you have questions or an issue with your agency's narrative (including having no technology to read or write to diskettes)



# Discussion and Questions



# Glossary I

- **Agency**  
a primary entity of government
- **Division**  
a primary entity of government
- **Goals**  
issue-oriented statements that declare what an agency intends to do to accomplish its mission
- **Mission Statement**  
a statement explaining why an agency exists and what it foresees for the future
- **Objectives**  
detailed, quantifiable, time-specific statements of activities related to achieving a goal

# Glossary II

- **Operations**

detail of the activities and/or functions of the division

- **Organizational Charts**

programmatic charts delineating program relationships within the agency

- **Performance Measures**

a tool to determine whether a program is accomplishing its mission efficiently and effectively

- **EFFICIENCY Measures**

reflect the relationship between work performed and the resources required to perform them



# Glossary III

- **EFFECTIVENESS Measures**  
depict the degree to which performance objectives are achieved or reflects the quality of performance
- **WORKLOAD Measures**  
indicate the amount of work performed or services rendered

- **Program**

a group of related activities to accomplish a function for which the government is responsible

## ✓ Checklist of Requested Information ✓

LEGISLATURE, JUDICIAL BRANCH, CONSTITUTIONAL OFFICER, DEPARTMENT and BUREAU narratives shall include the following:

### With Divisions

- Organizational Chart
- Mission Statement
- Goals/Objectives

### Without Separate Divisions

- Organizational Chart
- Mission Statement
- Operations
- Goals/Objectives
- Programs (if applicable)
- Performance Measures

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DIVISION narratives shall include the following:

- Mission Statement
- Operations
- Goals/Objectives
- Programs (if applicable)
- Performance Measures