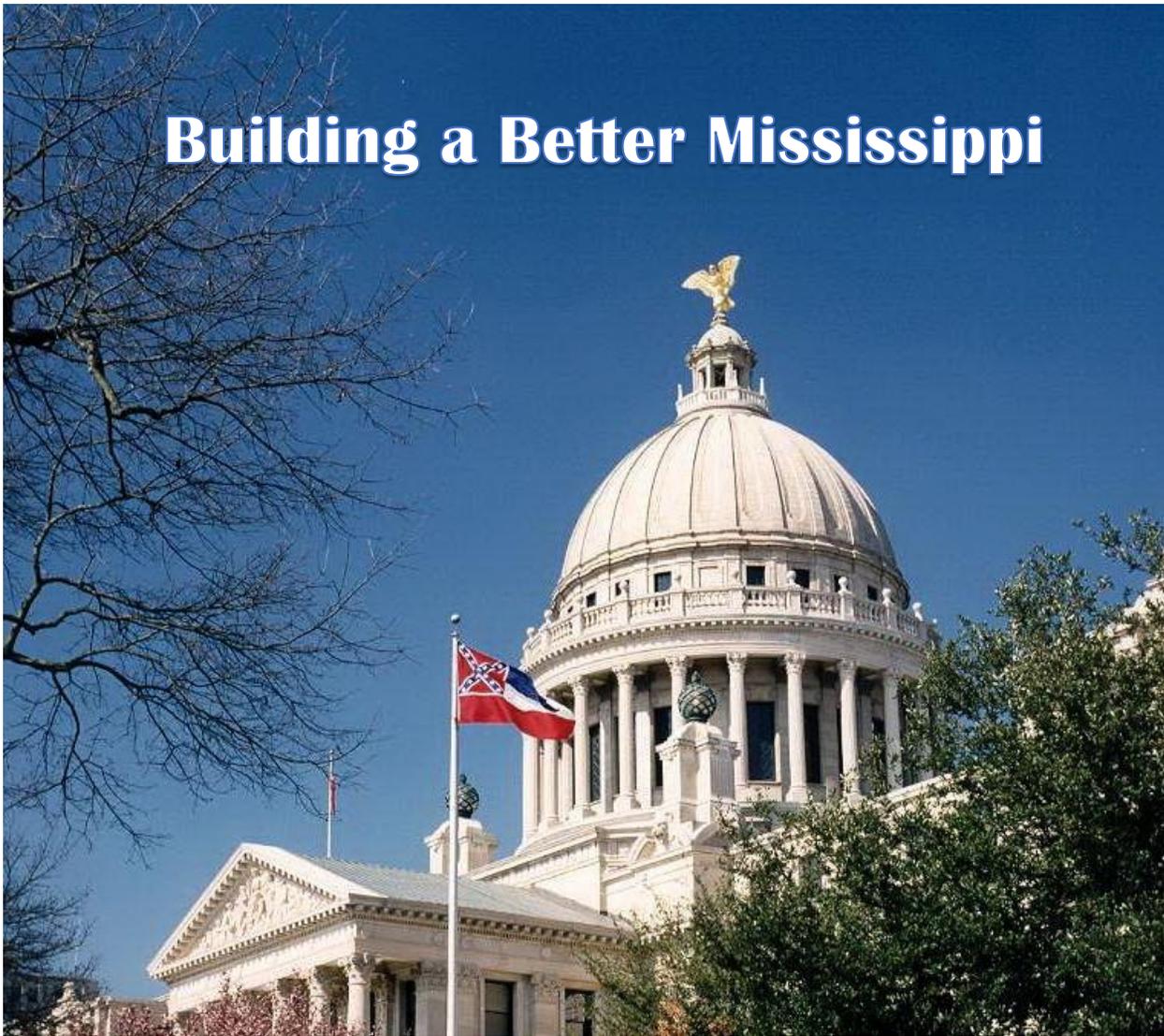


Building a Better Mississippi



INSTRUCTIONS FOR PREPARING 5-YEAR STRATEGIC PLANS FOR THE FISCAL YEARS 2018 – 2022

LEGISLATIVE BUDGET OFFICE

May 2016

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Introduction:

The Mississippi Performance Budget and Strategic Planning Act of 1994, mandates the development of 5-year strategic plans for all state agencies. The strategic plans to be submitted this year will cover the Fiscal Years 2018 through 2022.

The Legislature is continuing to lead an initiative to strengthen Mississippi government program performance budgeting. State agencies are being asked to establish clear priorities that will reflect the statewide vision, mission and philosophy as outlined in *Building a Better Mississippi, The Statewide Strategic Plan for Performance and Budgetary Success*. In doing so state agencies will align their own strategic plans to achieve established statewide priorities.

The Agency 5-Year Strategic Plan instructions emphasize the integration of the statewide goals and benchmarks as an integral part of the state agency plan.

Purpose and Benefits:

Strategic planning requires that agency leaders thoughtfully set a long-range course of action for the agency that takes into consideration the agency's mission, the agency's resources, and all external/internal factors affecting the agency's ability to meet targeted goals. The strategic plan should identify the services to be provided by the agency that reflect the statewide vision, mission and philosophy. The strategic plan should address issues which are of interest to the public served and should focus on results rather than efforts. Strategic planning should be done at all levels of the agency and should include input from the public served by the agency when possible.

An agency should regard this process as an opportunity to clarify its purpose and direction, and therefore, develop a stronger agency identity. Strategic planning will enhance an agency's ability to make the Legislature aware of anticipated future opportunities and challenges. Strategic planning is an ongoing process. Each year, agencies will be required to submit a new (revised) strategic plan based upon a review of the agency's mission and goals.

Strategic Planning:

- determines the optimal actions for a state agency to do to satisfy public expectations
- establishes accountability for outcomes
- allows for a plan to be reviewed and modified regularly
- should be realistic and recognizes limitations such as personnel issues, fiscal conditions and budgetary trends

Changes in Budgetary Programs and Performance Measures:

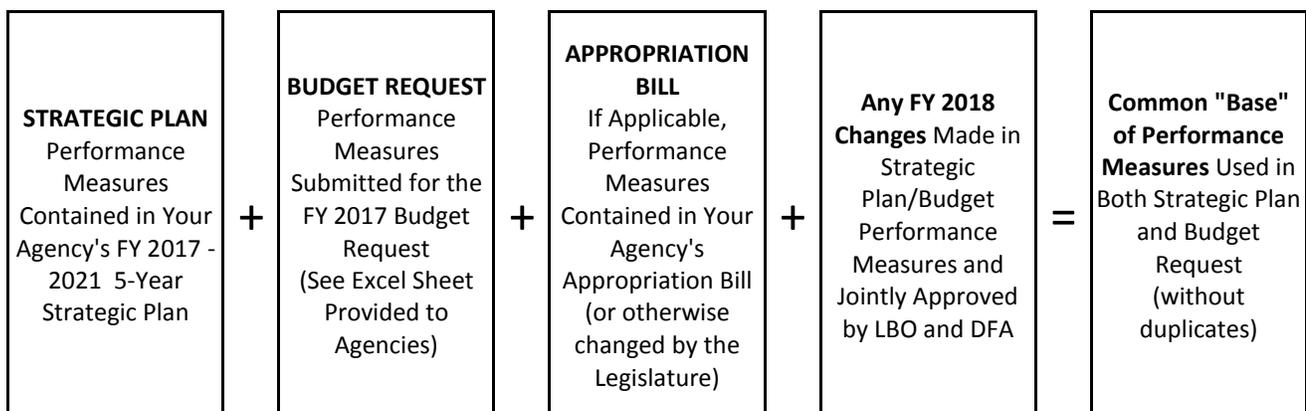
The Legislature is in the third year of revitalizing Performance Budgeting in Mississippi. However, the process is still in transition. As with last year, Performance Measures need to be integrated into the

Annual Budget Requests. Some agencies restructured their Budgetary Programs in last year's Agency 5-Year Strategic Plans, but not in the annual budget request. New Performance Measures were added to the Agency 5-Year Strategic Plans, and now need to be incorporated into the Annual Budget Request.

The Legislature may have added Performance Measures to appropriation bills that were new and not included in the Agency 5-Year Strategic Plans, nor in the Annual Budget Requests. (Note: Approximately 35 agencies have Performance Measures in their appropriation bills with more being added each year, so this will not apply to all agencies.)

Listed below are some steps to guide agencies in reporting their Performance Measures in both the Agency Strategic Plan and in the Annual Budget Request:

1. The due date for Agency 5-Year Strategic Plans has been changed to **July 15th, 2016.**
2. **Performance Measures in the Agency 5-Year Strategic Plans and in the Annual Budget Request should match each other.** This will provide a common base of Performance Measures that can be refined in future years if necessary.
3. If your agency is one of the approximately 35 agencies that have Performance Measures in the appropriation bill, and there are Performance Measures included in the bill that are not included in the FY 2017 Strategic Plan, or the 2017 Annual Budget Request, then these should be included in both the FY 2018 Strategic Plan and Annual Budget Request.
4. The program designations in the Annual Budget Request for FY 2018 should match the programs contained in the Agency 5-Year Strategic Plan. If you have any questions, please call your LBO budget analyst for further guidance.
5. In order to coordinate both the Agency 5-Year Strategic Plan and the Annual Budget Request, it will be necessary to work on both simultaneously. Please note that this year, the Agency 5-Year Strategic Plan will be submitted to LBO and DFA first - BEFORE the Annual Budget Request.



Submitting the 5-Year Strategic Plan:

Along with the paper copies listed below, please send a PDF copy of your 5-Year Strategic Plan and performance measurement data to the Legislative Budget Office. Use your Agency's Budget Name and Number in both the name of the PDF document and in the subject line of your e-mail i.e.: "Division of Medicaid 328-00". If you are submitting a plan for multiple budget units, separate the numbers by spaces i.e.: "Human Services 651-00 571-00 651-02 651-09 651-12 etc." Send to: strategic@lbo.ms.gov .

Supporting Information:

All agency plans must be presented in the format provided and must contain every element included in these instructions. Any additional information that agencies wish to provide in support of their strategic plans may be included at the end of the strategic plan document.

Document Requirements:

In order to make review of the Agency 5-Year Strategic Plans proceed easier, please use the following uniform, standard form:

1. The plan should be prepared on letter-size paper (8 1/2" x 11")
2. Pages should be numbered at the bottom of the page.
3. The plan should be bound with a single staple located in the top left-hand corner.
4. The plan should follow the format set out in the following section.
5. Any additional information to support the Agency 5-Year Strategic Plan.

NEW DUE DATE:

The Agency 5-Year Strategic Plan will be due **July 15, 2016** with the following distribution:

16 copies to the Legislative Budget Office

2 copies to the Department of Finance and Administration Office of Budget and Fund Management

NEW

Policy on Adding, Deleting or Changing Performance Measures:

For the FY 2018 Budget Request, performance measures from the FY 2017 budget request should be loaded into the Online Budget Request System by agency OBRS users for each agency budget unit. To assist with this process, LBO is providing an Excel sheet containing all performance measures loaded into the OBRS system from last year. This sheet is sorted by LBO budget number, then by program, then by type of Performance Measure. OBRS users can copy and paste last year's Performance Measure Descriptions into this year's budget request. The only information included in this sheet will be the Performance Measure Descriptions and will not include any corresponding data.

Any changes (added or deleted) to any Performance Measures in your agency's appropriation bill or any other change made by the Legislature should be reflected in the Agency 5-Year Strategic Plan and the FY 2018 Budget Request.

At the time of the agency strategic plan and budget submission, all requests for additions, deletions or other changes in an existing Performance Measure will have to be jointly approved by both the Legislative Budget Office (LBO) and the Department of Finance and Administration (DFA). See Mississippi Code § 27-103-129 (1). This does not include any additions, deletions or changes already made by the Legislature.

If you wish to add, delete or change a Performance Measure description (not the data), please use the following procedure:

1. Send a joint e-mail to:
 - a. Your LBO Budget Analyst
 - b. Your DFA, Budget and Fund Management Analyst
2. In that memo,
 - a. For an addition, list the new measure you want to be considered.
 - b. For a deletion, list the measure you want to be considered for deletion.
 - c. For a change in an existing measure, state the change you want to be considered.
3. In all of the above cases, provide a detailed justification on which your request can be evaluated.

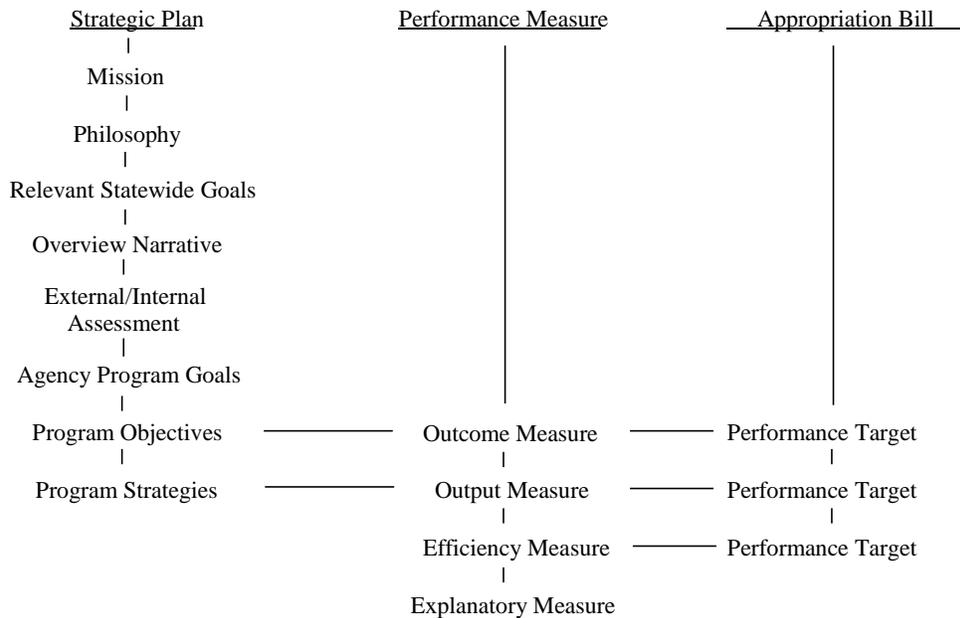
When both offices give their approvals by way of return e-mail, you may then make the changes.

Content of the Strategic Plan:

At a minimum, a state agency's strategic plan should contain the following:

1. Comprehensive Mission Statement for the Agency
 - Statement of Purpose
2. Statement of Agency Philosophy
 - Values and Principles
3. Relevant Statewide Goals and Benchmarks
 - The adoption of applicable statewide strategic plan performance priorities
4. Overview of the Agency 5-Year Strategic Plan
 - A narrative overview which sets out the planned direction of the agency for the next five years
5. External/Internal Assessment & Internal Management Systems
 - 5.1 External/Internal Assessment
 - Factors to be considered that have an impact on the accomplishment of agency goals
 - 5.2 Internal Management Systems
 - Agency's internal management system utilized to evaluate performance achievements in relationship to targeted performance levels
6. Agency Goals, Objectives, Strategies and Measures by Program (See Appendix III, P. 24)
 - 6.1 Agency Program **Goals**
 - A statement of purpose for each budgetary program
 - 6.2 Program Goal **Objectives**
 - Activity proposed to accomplish program goal
 - **Outcome measure(s) should be listed for each objective**
 - 6.3 Program Objective **Strategies**
 - A statement of strategy of how the agency will achieve program objective
 - **Output, efficiency, and explanatory measures should be listed for each strategy**

Strategic Planning and Performance Budgeting System



Note: Not all agencies have Performance Targets in their appropriation bill.

Reviewing or Modifying Your FY 2018 – 2022 Agency 5-Year Strategic Plan:

Before reviewing or modifying the Agency 5-Year Strategic Plan for FY 2018 – 2022, please refer to Appendix III (P. 25appendix III), Summary of Structure which shows the structure of the Program information including Goals, Objectives, Strategies, and Performance Measures. Make sure that the plan follows this outline along with the numbering/lettering conventions for each element in this outline.

Notice that each Objective must have at least one Outcome. Next, review the definitions of the various Performance Measures contained in Appendix I. Please make sure the measures have been categorized correctly and are not using an Output in place of an Outcome under Objectives.

Required Format:

This format reflects the minimum level of information to be included in the 5-Year Strategic Plan. Each agency is encouraged to include any additional information necessary to adequately inform the Legislature of the purpose and proposed direction of the agency.

1. Comprehensive Mission Statement for the Agency

This identifies what the agency does. The mission is the reason for the agency's existence. Agencies should refer to their enabling statute to clearly identify the functions for which they are

responsible. The purpose of a mission statement is to concisely communicate to the public the reason for the agency's existence and to remind agency staff that their daily activities help to meet an important public need.

The mission statement is a single statement/paragraph that should appear at the beginning of the agency's strategic plan and is the foundation for the rest of the document. It should be clearly understandable to the public and support the mission contained in the statewide strategic plan.

At a minimum the mission should answer the following questions:

- Who are we as an organization and whom do we serve?
- What are the basic purposes for which we exist, and what basic problems are we established to address?
- What makes our purpose distinctive?
- Is the mission in agreement with the agency's enabling statute?

EXAMPLE MISSION STATEMENT: The mission of the Commission of Marine Resources is to manage Mississippi's saltwater resources by establishing rules and regulations which provide for the conservation, protection and propagation of the marine species resources in, and adjacent to, Mississippi's territorial waters, for the benefit of all Mississippi citizens and for the public health.

2. Statement of Agency Philosophy

“Agency Philosophy” describes how an agency conducts itself when carrying out its mission. It expresses the core values of an agency and its work. The philosophy defines an agency's identity, approach in terms of management style and values in respect to the delivery of government services. It is a statement of the relationship between the agency and the public it serves. It might include professional and ethical standards of conduct, including equal opportunity policies and criteria of quality. In developing the philosophy, an agency must answer the following questions:

- How will we conduct ourselves in carrying out our mission?
- What are our organizational values?

EXAMPLE PHILOSOPHY STATEMENT: The Commission of Marine Resources is committed to the continued safeguard of the natural resources, environmental protection and conservation of Mississippi coastal resources. The philosophy of the Commission is to adhere to the highest professional standards, to provide quality public service and to demonstrate respect for the rights and value of the individual.

3. Relevant Statewide Goals and Benchmarks

The statewide goals and benchmarks are the origin for developing all other performance activities proposed by a state agency. They are a declaration of what Mississippi's leadership envisions to accomplish with the resources provided to Mississippi state government.

There are eight Key Policy Areas contained in the *Statewide Strategic Plan for Performance and Budgetary Success* (see attachment Appendix V):

- Economic Development
- Education
 - Public Schools
 - Higher Education
- Public Safety and Order
- Health
- Human Services
- Natural Resources
- Infrastructure
- Government and Citizens

The Statewide goals and benchmarks are the origin for developing all other performance activities proposed by a state agency. They are a declaration of what Mississippi's leadership envisions to accomplish with the resources provided to Mississippi state government. Each agency is asked to adopt Statewide Goals and Benchmarks that are relevant to the agency's Mission and Goals.

Included with these policy areas are a listing of priority goals and benchmarks (a mixture of various types of Performance Measures and goals). Decide which of the listed statewide priority goals and benchmarks are relevant to your state Agency 5-Year Strategic Plan.

State agencies may have multiple key policy areas and many may include more than one key policy goal or benchmark. Perhaps your agency can directly adopt these performance measures and incorporate these measures with your agency's own goals, objectives and strategies. Or, for example, cannot provide the necessary data, and only include them indirectly by simply adopting them as related measures in the Statewide Strategic Plan portion of your own agency's strategic plan.

In the process of selecting your relevant Statewide Goals and Benchmarks, your agency may:

- A. have exact goals and benchmarks (Performance Measures) listed in the Statewide Plan. Use them also as Agency Performance Measures exactly as listed. These would be agency specific such as "Tuberculosis case rate per 100,000 per year" in the Health Key Policy Area section of the Statewide Plan, or "Average ACT score of entering freshmen" in the Education: Higher Education section.

- B. have goals and benchmarks (Performance Measures) close to those listed in the Statewide Plan. In this case select performance measures from the Statewide Strategic Plan that the agency can support and are close to the agency’s mission.
- C. not have a very close relationship with any of the goals and benchmarks listed. In this case select broad category goals and benchmarks such as “Economic Development” or “Public Safety”, or the goals and benchmarks under the “Government and Citizens” section.

Note: The term “Statewide Goals” always refers to goals contained in the Statewide Strategic Plan, *Building a Better Mississippi, The Statewide Strategic Plan for Performance and Budgetary Success*. It does not mean your agency’s statewide goals. It is just assumed that if your agency provides services “statewide”, then these are referred to as your agency’s “goals”.

Example Statewide Goal #1: To develop a robust state economy that provides the opportunity for productive employment for all Mississippians

Example Statewide Benchmarks #1:

- Percentage contribution of agriculture, forestry, fishing, and hunting sector to state’s gross domestic product
- Number of jobs in agriculture, forestry, fishing, and hunting sector

Example Statewide Goal #2: To ensure that current and future generations have access to the state’s abundant natural resources through protection, conservation, and wise development of those resources

Example Statewide Benchmarks #2:

- Estimates of populations of invasive species, by species
- Measures of condition of the state’s marine species
- Percentage of oyster production acreage that is limited due to pollution
- Total square miles of ocean and tidal streams (total and as a percentage of total assessed) under a fish consumption advisory during the year

4. Overview of the Agency 5-Year Strategic Plan

Each agency will provide a narrative overview which sets out the planned direction of the agency for the next five years. This overview should include, but not be limited to, a statement of desired agency goals, objectives and strategies for attaining these goals for the 5-year period. The narrative should take a “big picture” approach in its description and may reflect agency priorities and funding issues. Agencies should include any information that will provide a better understanding of where the agency is headed and how the agency plans to get there.

5. External/Internal Assessment

Factors to be considered that have an impact on the accomplishment of agency goals and Internal Management Systems Used to Evaluate Agency's Performance

5.1 Each agency will identify external/internal factors which influence its ability to achieve its targeted performance goals. An assessment of these external/internal factors will enable the agency to plan for opportunities and challenges presented by forces beyond the control of the agency. These external/internal factors might include, but are not limited to: redirection of agency mission due to a change in state statutes or regulations, changes in the economy, changes in availability of federal statute, regulation or funding, changes in technology, pending litigation, environmental impact, changes in the make-up of population served by the agency, management policies in place, operational procedures, tracking procedures, organizational structure and any other information. While the availability of state funding is a consideration, in this process it will be more meaningful to identify those external/internal factors which are not directly influenced by financial resources provided by the appropriation process.

Include discussion of any independent audits or reports that your agency completes regarding your performance goals that are reported to outside agencies, including federal grant reporting or contracts. This will allow the reporting of the agency's complete external/internal assessments to the Legislature.

- The identity of external/internal factors is an ongoing process that is important to the development of each element of an agency's strategic plan.

(See Agency Example)

5.2 Internal Management Systems Used to Evaluate Agency's Performance

Provide a description of the agency's internal management system utilized to evaluate performance achievements in relationship to targeted performance levels.

Each agency will identify internal management systems used to evaluate its performance. This description of the agency's internal management system will need to include:

1. Management policies in place
2. Operational procedures, tracking procedures
3. Organizational structure
4. Any other information which will aid the Legislature in understanding how the agency evaluates its performance and how this evaluation impacts the budgeting of funds. This requirement has not changed from prior years. Include this in the External/Internal Assessment section of your plan.

6. Agency Goals, Objectives, Strategies and Measures by Program (See Appendix III, P. 25)

Each agency is asked to reflect their agency's goals and strategies in their own strategic plan to accomplish the vision as outlined in the Statewide Strategic Plan.

6.1 Agency Goals by Program

Agency Goals are the general ends toward which agencies direct their efforts. Each budgetary program must have at least one goal. A goal addresses issues by stating policy intention. The goal is expressed in a manner that allows a future assessment to be made of whether the goal was or is being achieved. It is both qualitative and quantifiable, but is not quantified. In other words, it can be measured but a goal does not do the measuring. Goals stretch and challenge an agency, but they are realistic and achievable.

The agency will specify expected accomplishments (objectives) and actions (strategies) to achieve those objectives. The goal element of the strategic plan is typically no more than two sentences per goal and includes the statutory citation(s), or general authorization, that provide authority for the goal (citing the Statewide Strategic Plan is sufficient if appropriate).

Example:

Conserve and maintain marine resources and other natural wildlife and enhance the quality of fishing and other recreational activities. (See Miss. Code Ann. § 49-15-304)

6.2 Objectives by Program for each Goal

Objectives are the clear targets for the specific action. Each Goal in a budgetary program will have one or more Objectives. They mark quantifiable interim steps toward achieving an agency's long range mission and goals. Linked directly to agency goals, objectives are measurable statements of intent. Outcome based performance measurement is important for measuring a program's objective (See the Performance Measurement Definitions Appendix for further explanation). They emphasize the results of agency actions at the end of a specific time period. (Usually assumed to be a one year period)

- The Mississippi Performance Budget and Strategic Planning Act of 1994, mandates that performance objectives be provided for each program of the agency for each of the five years covered by the plan
- **Each Objective is accompanied by a specific measurable outcome performance indicator(s)**
 - The objective is to be realistic and attainable
 - Objectives are related to a goal in the order of their priority

Example Objective: Increase the ratio of marine wildlife law enforcement officers to the area of protected coastal boundaries.

Example Performance Indicator: (Outcome) The number of marine wildlife law enforcement officers in relation to the total square acres guarded as protected coastal boundaries. (See the **Performance Measure Definitions, Appendix I** for further explanation)

6.3 Strategies by Program for each Objective

Strategies are methods to achieve goals and objectives. Each Objective in a budgetary program will have one or more Strategies. They are specific courses of action to be taken. Formulated from goals and objectives, a strategy is the means for transforming inputs into outputs and, ultimately, outcomes with the best use of resources. A strategy reflects budgetary and other resources.

- Each Strategy is accompanied by a specific measurable performance measures(s)
- Strategies must be easily understood by the public
- They appear in the strategic plan under each objective in the order of their priority
- More than one strategy may be required to accomplish a stated objective
- Question whether the agency has the authority to pursue the stated strategy
- Question the anticipated costs of implementing a strategy

Example Strategy: Implement a program to encourage private partnerships to share the expense of protecting coastal resources that will benefit both industry and public.

Example Performance Indicator (See the Performance Measurement Appendix for further explanation):

- (Output) Number of private partnerships
- (Output) Total expense of protecting coastal resources
- (Efficiency) Percentage of expense shared by private partnerships

6.4 Action Plans

Action Plans are detailed methods specifying how a strategy is to be implemented. The agency's action plans are input-oriented and will spell out who is responsible for the required tasks for each strategy and when the tasks will be completed. They generally address a shorter time frame (two years or less) for action than the strategic plan. Action plans include a description of each task, the resource and fiscal requirements of each task, and an identification of the agency division (or even personnel) responsible for implementation.

Action plans provide a basis for managing an agency's day-to-day operations. Often referred to as "operational plans" or "implementation plans," action plans are maintained by the agency and **are not submitted in the strategic plan.**

NOTE: A 5-Year Strategic Plan for an example agency has been included for your information. This example is provided simply to assist in the development of a format of a 5-Year Strategic Plan. In following the example provided, please do not allow the explanation of the agency's strategic plan to be restricted in any way.

EXAMPLE AGENCY
5-YEAR STRATEGIC PLAN
FOR THE FISCAL YEARS 2018 – 2022

1. Comprehensive Mission Statement:

The mission of the Commission of Marine Resources is to manage Mississippi's saltwater resources by establishing rules and regulations which provide for the conservation, protection and propagation of the marine species resources in, and adjacent to, Mississippi's territorial waters, for the benefit of all Mississippi citizens and for the public health.

2. Philosophy

The Commission of Marine Resources is committed to the continued safeguard of the natural resources, environmental protection and conservation of Mississippi coastal resources. The philosophy of the Commission is to adhere to the highest professional standards, quality of public service and the respect for the rights and value of the individual.

3. Relevant Statewide Goals and Benchmarks

Statewide Goal #1.: To develop a robust state economy that provides the opportunity for productive employment for all Mississippians.

Relevant Benchmarks #1.:

- 1) Percentage contribution of agriculture, forestry, fishing, and hunting sector to state's gross domestic product.
- 2) Number of jobs in agriculture, forestry, fishing, and hunting sector

Statewide Goal #2.: To ensure that current and future generations have access to the state's abundant natural resources through protection, conservation, and wise development of those resources.

Relevant Benchmarks #2.:

- 1) Estimates of populations of invasive species, by species
7. Measures of condition of the state's marine species
8. Percentage of oyster production acreage that is limited due to pollution
9. Total square miles of ocean and tidal streams (total and as a percentage of total assessed) under a fish consumption advisory during the year

4. Overview of the Agency 5-Year Strategic Plan:

The Commission of Marine Resources has targeted two activity areas as priorities for the next five years. The Commission plans to expand Marine Law Enforcement efforts in order to conserve Mississippi's valuable marine resources and to expand the Marine Fisheries Management Program to safeguard public health.

Over the next three years, the Commission plans to increase the number of Marine Law Enforcement staff by twenty. These twenty additional enforcement officers will be used to combat violations of seafood laws and therefore, insure continued protection of our marine resources. The Commission would like to add ten of these officers during FY 2018 at a cost of \$30,000 each (including support costs). Five additional positions would be added during FY 2019, with the remaining five being added during FY 2020. It is estimated that the addition of these enforcement officers will generate a savings of \$10 million to the seafood industry.

The Commission also plans to expand the Marine Fisheries Management Program in an effort to effectively manage Mississippi's marine resources and to safeguard the public health. Due to recent outbreaks of hepatitis in oyster beds of the Mississippi Gulf, and other possible health hazards related to the seafood industry, the Commission plans to expand its sampling of seafood and to provide for additional marine resource research and data collection. These additional efforts will require the hiring of two research analysts at a cost of \$50,000 (including support costs) during FY 2018 and the upgrade of existing scientific equipment at a cost of \$100,000 over a period of 4 years (FY 2019 - FY 2022). It is estimated that this expansion will reduce the number of hepatitis cases due to contaminated seafood by 85%.

The Commission plans to enhance the saltwater licensing system during FY 2018 and FY 2019 by upgrading existing computer equipment. These enhancements will provide a more economical method of processing saltwater licenses to fishermen in a shorter time frame.

During FY 2022, the Commission will be losing a federal grant in the amount of \$100,000 in the Marine Fisheries Management Program. Plans are being made to absorb this loss of federal funds which are utilized to track marine finfish and shellfish populations. Through the use of available technology, populations will continue to be tracked with the same efficiency even though two staff positions will be deleted.

5. Agency's External/Internal Assessment

- 1) Significant changes in the numbers of commercial fishermen would impact the need for projects concerning the management/improvement of native marine species.
- 2) Changes in technology could be used to enhance quality of marine resource management.
- 3) Many projects are reliant upon federal funding for support.
- 4) Environmental changes due to weather or pollution could severely impact the goals of these programs

Through a process of quarterly meetings, the Commission determines how well the needs of Mississippians have been met. Management policies are in place to address deficiencies in the process. Budgetary constraints are considered when new or expanded projects are requested. All documentation has been automated in an effort to increase personnel productivity.

6. Agency Goals, Objectives, Strategies and Measures by Program for FY 2018 through FY 2022: (example does not include all programs of the agency or required years)

Note: You should not include the actual performance data (numbers) in the Agency 5-Year Strategic Plan. The Plan includes what you are going to measure. Reporting the actual numbers is done in the Annual Budget Submission. This is the reason that Performance Measures in the Agency 5-Year Strategic Plan and the Annual Budget submission should be the same.

Program 1: Marine Fisheries Management

GOAL A: Support and sustain finfish and shellfish resources for consumption, commercial use and recreation for the citizens of the state (Miss. Code Ann. § 49-15-304)

OBJECTIVE A.1. Effectively manage the diverse fisheries in Mississippi's coastal waters to ensure sustainability, seafood quality and safety measures to safeguard the public health

Outcome: Change in economic value of seafood industry

Outcome: Change in economic value of recreation

Outcome: Percentage contributed to the state's gross domestic product

Outcome: Estimated number of jobs in the state's fishing industry (Statewide Strategic Plan)

A.1.1. STRATEGY: Conduct cooperative research and development projects with institutions of higher learning and other entities, focusing on high priority fishery species

Output: Number of ongoing research and development projects

Efficiency: Average cost per project per year

Explanatory: Reduction of federal funding of research grants due to federal sequestration

A.1.2. STRATEGY: Provide technical advice to the coastal area aquaculture industry and assist in meeting aquaculture regulatory requirements.

Output: Number of technical assistance visits

Efficiency: Average cost per services action (Technical assistance and inspections)

A.1.3. STRATEGY: Monitor, assess and update all sustainable finfish and shellfish population initiatives

Output: Number of Shrimp trawler samplings

Output: Periodic update on overall condition of various marine species (Statewide Strategic Plan)

Efficiency: Cost per Shrimp trawl sampling

A.1.4. STRATEGY: Monitor and assess water quality

Output: Collect and analyze water samples from all compliance stations

Output: Number of beach advisories issued due to pollution (Statewide Strategic Plan)

Output: Number of oyster production acres limited due to pollution
(Statewide Strategic Plan)

Efficiency: Percentage of oyster production acreage limited due to pollution
(Statewide Strategic Plan)

Efficiency: Percentage of water samples within acceptable guidelines

Explanatory: Amount of inland precipitation and flooding

OBJECTIVE A.2. Rehabilitate, restore, cultivate and/or create shellfish habitat

Outcome: Rehabilitate, restore, cultivate and/or create shellfish habitat to exceed pre-Katrina and BP Oil spill levels

A.2.1. STRATEGY: Restore and/or create oyster reefs

Output: Reefs restored

Output: Reefs created

Efficiency: Cost per reef restored

Efficiency: Cost per reef created

A.2.2. STRATEGY: Maintain long-term monitoring and assessment projects for shellfish fisheries and regulatory mandates associated with managing these resources

Output: Number of on-going long-term monitoring and assessment projects

Efficiency: Percent of program funds used for long term monitoring and assessment projects

A.2.3. STRATEGY: Maintain or expand the Derelict Crab Trap program

Output: Number of derelict crab traps removed from ocean floor

Efficiency: Percent of recovered crab traps recycled and sold to the public

Explanatory: Decrease in the number of derelict traps left on the ocean floor

Program 2: Marine Law Enforcement

GOAL A: Operate and man a 24-hour patrol covering marine waters, shoreline and marshland in Hancock, Harrison and Jackson Counties (Miss. Code Ann. § 49-15-21)

OBJECTIVE A.1. LAW ENFORCEMENT – Operate and staff two districts with a day shift as well as a night shift providing all marine patrol services in Hancock, Harrison and Jackson

Outcome: Reduction in boating accidents and deaths per year

A.1.1. STRATEGY: Operate two sub-districts with two district managers (Captains) during the day shift as well as a night shift, and a Lieutenant responsible for each shift maintaining an average of 18 officers per sub-district

Output: Total number of calls from public answered

Output: Number of special marine events covered

Output: Boat and water safety classes held

Output: Total arrests

Output: Number of natural disasters covered

Efficiency: Cost per man hour of marine waters patrolled

Efficiency: Cost per boating & water safety class

Explanatory: Availability of staff due to unfunded positions

OBJECTIVE A.2.: SHELLFISH – Enforce rules and regulations regarding the harvest, transportation and processing of both retail and wholesale shellfish

Outcome: Change in the number of reported incidences of foodborne illness due to unsanitary or diseased oysters and other shellfish

A.2.1. STRATEGY: Man all open oyster check-in stations during harvest seasons

Output: Total tons of oysters inspected

Efficiency: Percent of harvest rejected

Explanatory: Coliform bacteria rising past the federal standard of 35/100mL in marine waters

Appendix I

Performance Measure Definitions

- A. **Program Output Measures** – Outputs are the goods and services provided by an agency in order to meet its goals and objectives. Output measures are the means of quantifying or counting the amount of goods and services produced or provided by an agency. The number of clients or people served, the number of items processed or produced or the number of units of a particular service provided are used to identify program outputs. Output measures track the agency's performance in implementing its strategies.

When developing and selecting key output measures, the following questions should be answered:

- Is the output measure reliable? Will it consistently measure the same thing and produce accurate and verifiable information over a period of time? Will the data used in the measure be available on a continuing basis?
- Is the output measure directly related to the agency's strategies?
- Does the output measure show the quantity of work performed?
- Is the output measure clear? Are the terms used generally accepted and defined? Will the measure be easily understood by those who are not familiar with the subject matter?
- Are any output measures already used in federal reporting applicable?

Examples of Program Output Measures:

- Public water systems surveyed and inspected (number of)
- Hunting and fishing licenses sold (number of)
- Paternities established (number of)
- Abuse and neglect investigations conducted (number of)
- Solid waste permits processed (number of)
- Elderly and disabled persons served (number of)
- Recipients enrolled in program (number of)
- Amount of state matching funds awarded (dollars)
- Heroin seized by law enforcement (pounds)

- B. **Program Efficiency Measures** – Program efficiency measures are the ratios that identify the effectiveness or productivity of a program. Program efficiency measures are expressed in a quantifiable form and indicate an agency's operational efficiency. Program Efficiency measures are generally expressed in unit costs, units of time, or other ratio-based units associated with producing a desired outcome or output.

The following questions should be addressed in developing program efficiency measures:

- Is the efficiency measure valid? Does it capture the information intended?
- Is the efficiency measure a useful or meaningful measure for the intended reader?

- Is the efficiency measure reliable? Will it produce accurate and verifiable information over a period of time?
- Does it quantify significant efficiency aspects of agency operations?
- Will the data used to calculate the measure be available on a continuing basis?
- Is the measure responsive? Will it reflect changes in levels of performance?
- Does the measure produce relevant information that will justify the cost of collecting and retaining the data?
- Are the terms used to describe the measure generally accepted and defined? Will those who are unfamiliar with the subject be able to easily understand the measure?

Examples of Program Efficiency Measures:

- Average cost to inspect a public water system (Dollars)
- Average cost per hunting license to issue (Dollars)
- Time to issue hunting license by contracted vendor (Days)
- Frequency of each public water system inspection (Years Between Inspection)
- Average time to approve or deny air quality permits (Days)
- Average caseload per social worker in the foster care program (Cases per Worker)
- Cost to house inmate per day – maximum security (Dollars)

C. Program Outcome Measures – Program outcome measures are assessments of the result, effect or consequence that will occur from carrying out a program or activity compared to its intended purpose. They are tools to assess the effectiveness of an agency’s performance and the public benefit derived from it. Outcomes are the results, or effects, of government action or policy. Performance can be determined by comparing actual outcomes to targeted outcome objectives of the agency. An outcome measure shows how the agency’s action will affect a particular target group or issue area indicated in the objective.

Outputs and outcomes are not the same. Outputs reflect the quantity of services or goods produced and outcomes reflect the result or impact of providing those services or goods. An outcome measure must be directly related to the objective it is measuring; and there must be at least one outcome measure for each objective. An outcome measure is typically expressed as a percentage, rate, or ratio as long as it measures the overall result, effect or consequence of that particular objective.

The differences between outcome measures and output measures are shown in the following examples:

- The number of patients treated and discharged from a state mental hospital (output measure) is not the same as the percentage of discharged patients who are capable of living independently (outcome measure).
- The number of vaccinations given (output measure) is not an indicator of the incidence of the disease in the population (outcome measure).

However, rarely, a valid outcome is stated as an output. This happens when there is no meaningful, reliable or measurable result, effect or consequence of carrying out a program. Sometimes, the ultimate goal of a program is to carry out a process. Example: The Mississippi Department of Vocational Rehabilitation – Office of Disability Determination Services determines eligibility for the federal Social Security Disability program. Because they are so efficient in doing this, the Social Security Administration sends cases from other states to Mississippi to process for a fee. For these cases from other states, there really is no measurable effect or consequence of carrying out that part of the program here in Mississippi. Output and efficiency measures can be developed, but the most meaningful “outcome” for this part of the program would be, “Number of Out-of-State Cases Processed”, or possibly “Revenue from of Out-of-State Cases Processed”. Both of these are really outputs, but absent of any meaningful, reliable or measurable outcome measure, an output could be used as an outcome.

Because the achievement of outcomes often involves the efforts of multiple programs, agencies and even the private sector, it is often difficult to attribute outcomes to a single effort.

The agency should answer the following questions when developing outcome measures:

- Is the outcome measure reliable? Does it produce accurate and verifiable information over the time frame set by the objective?
- Is the outcome measure valid? Does it capture what the agency intends to measure?
- Is the measure of sufficient value to justify the cost of producing the necessary data? In the case of excessive costs, could sampling techniques or other, more cost effective, alternatives be used to collect the data?
- If the information is not currently available, can a proxy measure be substituted until a data base is available?
- Will the outcome measure enable a decision to be made or lead to a valid conclusion concerning the agency’s action?
- Is this measure subject to interstate or other comparisons? To the extent that it is, what additional information must be developed (e.g., explanatory measures) to properly interpret it?

Examples of Program Outcome Measures:

- Public water systems in compliance with EPA standards (percentage)
- Offender recidivism rate within 12 months (percentage)
- Released Offenders Finding Jobs in Vocation Studied (percentage)
- Reduction in deaths per mile of interstate highway from previous year (percentage)
- Mississippians living in areas where air meets federal air quality standards (percentage)
- Decrease in the rate of Tuberculosis in the population (percentage)
- Persons rehabilitated and holding a job for at least 6 months (percentage or number of)

D. EXPLANATORY MEASURES - “Explanatory Measures” are quantitative indicators that provide additional information that contributes to the understanding of an agency’s operating environment. Whereas agency external/internal assessments contain narrative explanatory information, **explanatory measures are specific quantitative indicators** that can help users understand other reported measures, assess the entity’s performance, and evaluate the significance of underlying factors that may have affected the reported performance, including the unintended effects of a service. Input measures are a subset of explanatory measures.

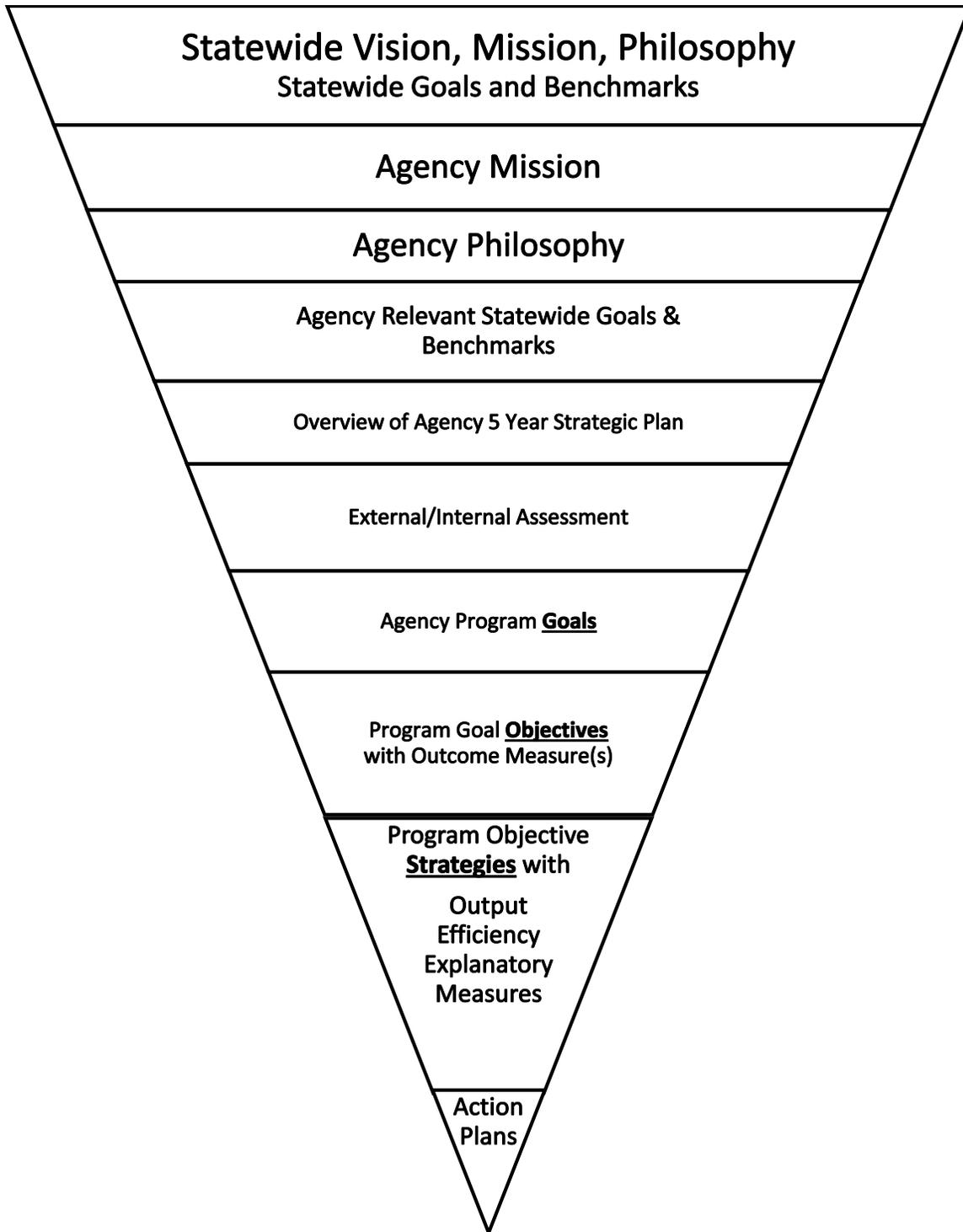
There are two primary types of quantitative explanatory information that can be reported as explanatory measures. These include (1.) factors substantially outside the control of the agency, such as environmental and demographic characteristics, (2.) factors over which the agency has some control, such as caseloads. The agency should answer following questions when developing explanatory measures:

- Is the measure valid? Does it capture the information intended? Does it quantify significant external/internal aspects of agency operations?
- Is the explanatory measure reliable? Will it produce accurate and verifiable information over a period of time? Will the data used to calculate the measure be available on a continuing basis?
- Does the measure produce information that will justify the cost of collecting and retaining it?
- Is the measure clear? Are the terms used to describe the measure generally accepted and defined? Will those who are unfamiliar with the subject be able to understand the measure?

The following are explanatory measures for a hypothetical agency:

- Number of Complaints Received by the Agency
- Reduction in federal funding (dollars)
- Costs of implementing federal mandates (dollars)
- Number of severe storms
- Number of increased non-state sources for a service
- Increase percentage in the state unemployment rate
- Increase in caseload due to immigration

Strategic Planning Template for Mississippi State Government



Appendix III

SUMMARY OF STRUCTURE:

PROGRAM 1.

GOAL A:

OBJECTIVE A.1.:

Outcome:

A.1.1. STRATEGY:

Output:

Efficiency:

Explanatory:

A.1.2. STRATEGY:

Output:

Efficiency:

Explanatory:

A.1.3. STRATEGY:

Efficiency:

Explanatory:

Output:

OBJECTIVE A.2.:

Outcome:

A.2.1. STRATEGY:

Output:

Efficiency:

Explanatory:

A.2.2. STRATEGY:

Output:

Efficiency:

Explanatory:

A.2.3. STRATEGY:

Output:

Efficiency:

Explanatory:

GOAL B:

Repeat as above.

PROGRAM 2.

Repeat as above.

Appendix IV

Glossary of Performance Budgeting Terms

Accountability Program: a set of agency activities designed to achieve a specific outcome.

Accountability programs must be identified at a sufficient level of detail that allows for each program to be identified in the research or best practices literature. Under MISS. CODE ANN. Section 27-103-159 (1972), the state's accountability programs (i.e., programs included in the comprehensive program inventory) are to be identified by the Legislative Budget Office, PEER Committee staff, and agency staff, beginning with the following four pilot agencies: departments of Corrections, Education, Health, and Transportation.

Action Plan: detailed methods and tasks for implementing state agency strategies. Action plans are developed and maintained by agencies.

Benchmark (statewide): specific performance indicators and targets used to assess progress at the statewide level in achieving statewide goals
Benefit-to-cost Ratio: an indicator that shows the value of a program (through monetization of its benefits) in relation to the financial resources expended on operating the program. In the Pew-MacArthur Results First Model, the benefit-to-cost ratio shows the dollar value of benefits in relation to every dollar spent on a program.

Best Practice: a method or technique that has consistently shown results superior to those achieved with other means.

Budgetary Program: a grouping of agency activities for the purpose of making state-level resource allocation decisions pursuant to the Mississippi Performance Budget and Strategic Planning Act of 1994. Following passage of the 1994 act, the Legislative Budget Office, in conjunction with state agency staff, established the budgetary programs for state agencies. Legislators can make changes to a state agency's budgetary programs during the session. Also, state agencies can request a budgetary program change via formal letter to LBO and DFA.

Comprehensive Program Inventory: a complete list of all agency accountability programs and the associated expenditure and performance data that will be monitored and reported on an ongoing basis in order to hold the programs accountable for performance

Cost-effective Program: a set of activities with quantified outcomes that exceed the costs of producing those outcomes

Data Dashboard (Statewide): a visual online display of the state's key performance indicators (benchmarks), generally limited to one computer screen, that allows for monitoring of the state's performance on the indicators (benchmarks) at a glance

Data-driven Decision-making: the process of moving an organization toward achieving desired outcomes by using the information gained through the collection and analysis of pertinent data to inform and improve practice

Economy Measure: indicators that quantify an agency's cost, unit cost, or productivity associated with a given outcome

Efficiency Measure: indicators that quantify an agency's cost, unit cost, or productivity associated with a given output

Evidence-based program: a program or practice that has had multiple-site random controlled trials or quasi-experimental comparison across heterogeneous populations demonstrating that the program or practice is effective for the population

Explanatory Measures: quantitative indicators that provide additional information that contributes to the understanding of an agency's operating environment and performance--e. g., data showing a large increase in an agency's caseload

External/Internal Assessment: an evaluation of key factors that influence the agency and its performance--e. g., organizational strengths, weaknesses, opportunities, and threats. Examples of external factors include statutory changes and economic conditions. Examples of internal factors include management policies and resource constraints.

Fidelity Audit: a comparison of the implementation of an intervention program to the key components necessary to achieve the outcomes reported in the research literature

Goal:

- **Statewide Goals:** general ends toward which the state directs its efforts
- **Agency Goals:** general ends toward which agencies direct their efforts

Input: measure of the resources, both financial and human, committed to a program

Intervention Program: a set of activities designed to achieve a specific outcome or outcomes by positively affecting the educational, economic, social, behavioral, and/or health status of citizens and that may be subjected to experimental review for efficacy

Line-item Budgeting: a system of allocating resources to state budget units by major object of expenditure--e. g., salaries and fringe benefits, travel, contractual services

Mission:

- **Statewide Mission:** a concise statement of the basic purpose and role of state government
- **Agency Mission:** the reason for an agency's existence

Net Present Value of Long-term Benefits minus Costs; the dollar value of program benefits minus costs over the long-term, expressed in current dollars--i.e., adjusted for changes to the purchase value of a dollar over time

Objective: target for specific action, stated in measurable terms, including a target date for accomplishment

Outcome: performance measure that quantifies the providing a government good or service result, effect, or consequence of providing a government good or service

Output: performance measure that quantifies the activities that an agency carries out and the goods and services that it produces in order to meet its goals and objectives

Performance Budgeting: a method of allocating resources to programs based on consideration of how efficiently and effectively each program can achieve desired results with the requested resources

Performance-based Management: a systematic approach to performance improvement through an ongoing process of establishing performance objectives; measuring performance; collecting, analyzing, and reporting performance data; and using that data to drive performance improvement.

Performance-based Contracting: a results-oriented method of procuring services that specifies in the legally binding agreement for services the outputs, quality, and/or outcomes to be achieved by the service provider. At least a portion of the contractor's payment, contract extensions, or contract renewals may be tied to the achievement of specific, measurable performance standards and requirements.

Pew-MacArthur Results First Initiative: A project of the Pew Charitable Trusts and the John D. and Catherine T. MacArthur Foundation that works with states to implement an innovative cost-benefit analysis approach that helps them to invest in policies and programs that are proven to work

Pew-MacArthur Results First Cost-Benefit Analysis Model: an econometric model that helps states to calculate the benefit-to-cost ratio and net present value of long-term benefits of public sector programs and policies

Pew-MacArthur Results First Approach: a disciplined practice designed to move public resources to programs and policies proven to work through evidence-based research.

Philosophy:

- **Statewide Philosophy:** a statement of the core values and principles underlying state government service+

- **Agency Philosophy:** the expression of the core values and principles for the conduct of an agency in carrying out its mission

Program Premise: the theory that underpins a government's decision to intervene with its authority and resources to contend with a problem that the free market alone could not correct.

Promising Practice: a program or practice that presents potential, based upon preliminary information, for becoming a research-based or evidence-based program or practice

Research-based Program: a program or practice that has some research demonstrating effectiveness, but that does not yet meet the standard of evidence-based practices

Return on Investment: dollar value of program benefits generated by each dollar invested in the operation of the program

Scorecard: a tabular visualization of performance measures and their respective targets with visual indicators to see how each measure is performing against its target at a glance

Statewide Strategic Plan: a blueprint for the activities of state government created through the alignment of state agency goals, objectives, outcome measures, strategies, output measures, efficiency measures, explanatory measures, and action plans with the priorities of government (i.e., state government's vision, mission, philosophy, goals, and benchmarks) identified by leadership. A statewide strategic plan seeks to improve the efficiency and effectiveness of state government by coordinating the efforts of state agency programs and activities toward achieving priority outcomes.

Strategy: method for achieving goals and objectives

Vision: an inspiring view of the preferred future