4.1 MANAGING FOR RESULTS SUBMISSION REQUIREMENTS

Key Changes for FY 2018:
- A new MFR deadline of August 19, 2016 applies to all agencies. MFR submissions are now due in August instead of the agency budget submission deadline.
- Excel-based templates for each agency will be distributed by DBM before the end of June 2016 for agencies to complete in time for the August deadline.
- A new tab titled "DoIT Do Not Edit" has been placed in some templates to assist DoIT in uploading agency data to the new MFR dashboard. Please do not make any alterations to this tab or to cells that are needed for this tab.
- Data submitted by agencies in the template falls into two categories: "MFR" and "DBM/DLS only." Only "MFR" data will be published in the agency's official MFR plan.
- Two new columns have been added in the "All Data Tab" – one column will allow agencies to note if the data is fiscal year, calendar year, federal fiscal year, etc. The other column will allow agencies to connect a measure with an agency program, as appropriate.
- All agencies are required to resubmit the entirety of their data definitions and controls document so DBM can set FY 2018 as a baseline year. Agencies may continue to use whichever format they choose for this documentation.
- Only data categorized as "MFR" data will require data definitions and controls (DC) and performance discussions (PD). In addition, any agency that submits one Excel template (ET) should also only submit one DC and one PD document for the entire agency, instead of one for each unit or program.

MFR Submission Files: Each agency must submit the following separate electronic files - Sections 4.2 and 4.3 provide more guidance for each component.

- MFR Excel template (**mandatory**): By July 1, DBM will e-mail each agency an MFR template to complete. Each agency must use this electronic file to create the FY 2018 MFR submission. Agencies should review the template to check for any errors (including verifying past year actual data), but should not change the format or insert new measures or objectives. Agencies that submit files with alterations will be asked to resubmit.
- Data definitions and control procedures (**mandatory**): See Section 4.3 for guidance.
- Signed data certification statement (**mandatory**): Submit as a PDF file.
- Performance discussions (**mandatory**): See Section 4.3 for guidance.
- Strategies (optional with the exception of strategies supporting State Plan measures, which are indicated in the Excel template): See Section 4.3 for guidance.
- SWOT Analysis (required by the Governor's Office of Performance Improvement (GOPI) for the 19 agencies working with their office. A list of agencies working with GOPI can be found here: http://gopi.maryland.gov/about-gopi/)

Submitting MFR Files: Agencies should e-mail MFR documents to **oba.mfr@maryland.gov** and to the assigned DBM budget analyst by **August 19**. The subject line of the e-mail must list the applicable budget code for the agency and the acronym for each file attached, for example U00 ET, DC, PD, C. This example indicates that the Excel template, data definitions and control procedures, performance discussion, and the data certification are attached. Hard copies are not needed. The file name for each document must include the budget code, the acronym that identifies the subject of

the file, and the fiscal year. When agencies submit revised files after the initial file submission, they should include the date of revision in the file name, for example "U00 ET 18 revised 11-12-18." The acronyms and examples of file names are shown below:

Acronym:	Examples of file names:
ET = Excel template	U00 ET 18
DC = Definitions and controls	U00 DC 18
PD = Performance discussion	U00 PD 18
C = Certifications	U00 C 18
ST = Strategies	U00 ST 18

Excel Template: Please reach out to your DBM budget analyst or Carissa Ralbovsky at carissa.ralbovsky@maryland.gov if you have any questions or concerns about the Excel template that was created for your agency. Some important notes for completing the Excel template:

- "MFR Do Not Edit" and "All Data" Tabs: The Excel template will have at least two tabs. The "All Data" tab will be the only tab the agency needs to update data in, while the "MFR Do Not Edit" tab will be automatically populated with data from the "All Data" tab. Select agencies will have a third tab, called "DoIT Do Not Edit," which will also be automatically populated and used for uploading information to the Open Data Portal.

- Few changes to the MFR may occur in the fall: Such discussions should occur during the spring, as DBM has encouraged in the past. Agencies desiring to change goals, objectives, and measures after June 10 will be considered on a case-by-case basis.

- Explanatory endnotes in Excel template are only required in the following circumstances:
  - Actual data is not yet available or was revised from a prior year actual.
  - "Actual" data is an estimate rather than final.
  - Actual data was not collected for a specific year or is collected in alternate years.
  - Significant declines or improvements in performance are indicated in the data.
  - Performance target level has changed. No note is needed if only the target date has changed.
  - Definition or calculation method for a measure has changed.
  - Reporting period for data has changed (for example, from state to federal fiscal year).
  - Technical or unusual term is used (for example, "walk-off").

  Endnotes must be concise - lengthy performance explanations should be included in the performance discussion documents only.

- Revisions after submission: Agencies expecting changes to data, or that have measures for which data are not available by the MFR due date, must include an explanation in the transmittal e-mail when submitting the initial files including (a) which data will change and (b) when the final data will be available. When agencies submit the final files, the subject of the transmittal e-mail should include the language "**Final files** including all data" and the e-mail message should state what has been revised, with files that have changes highlighted.

- Proofreading: Excel templates must be proofread before submission to DBM to ensure that:
  - All requested data has been submitted.
  - Endnote text is concise, grammatically correct, and is free of spelling errors.

4.2 SUMMARY OF MFR SUBMISSION REQUIREMENTS FOR FY 2018

MFR COMPONENT   **GUIDANCE**

Excel Template (ET)	Mandatory	Goals, objectives, and performance measures must remain the same in the DBM template, requested changes will be considered on a case-by-case basis by the DBM budget analyst.
Mission	Mandatory	http://www.dbm.maryland.gov/Documents/MFR_documents/MFRGuidebook.pdf (Page 28)
Vision	Optional	http://www.dbm.maryland.gov/Documents/MFR_documents/MFRGuidebook.pdf (Page 41)
Key Goals	Mandatory	Agencies only need to submit agency-level goals, program-level objectives and measures to support those goals.
Key Objectives	Mandatory	The Excel template will "roll-up" objectives under each goal. Include an explanatory endnote in the Excel template if a performance target in an objective has changed.
Key Performance Measures	Mandatory	The performance measures included in the "MFR" data group have been determined with agency input as requested. Any later changes will be considered on a case-by-case basis by the DBM budget analyst. Agencies should update actual data for FY 2016, include estimates for FY 2017 and FY 2018, and double-check to ensure that data from past years is accurate. Include explanatory endnotes in the Excel template if actual data for a measure has changed, estimated data is reported rather than actual data, or if a substantial change took place.

Data Definitions and Control Procedures (DC)	Mandatory	Data definitions and control procedures are the first step toward ensuring data integrity. New for FY 2018, all agencies must submit data definitions and control procedures for all "M" measures, even if documentation has been provided in previous years. Further guidance is provided in Section 4.3.

Certification of the Integrity of the MFR Data (C)	Mandatory	Each agency must submit a certification of the integrity of the MFR data, signed by the agency head or designee, submitted electronically as a PDF. Include the agency name and budget code in the certification letter. Only one signed certification which certifies integrity of all of the agency's data is required.

Performance Discussion (PD)	Mandatory	The agency may discuss overall performance or focus on specific programs or initiatives. Describe what performance data reveal about agency performance. Agencies may submit documents that are produced for other purposes that discuss performance related to MFR measures, for example, reports to the legislative committees, reports to the Federal government, and annual reports. Further guidance is provided in Section 4.3.

Key Strategies (ST)	Mandatory only for State Plan	If reporting data for measures included in the MFR State Plan, the agency must submit strategies that support achievement of related goals and objectives. Include the agency budget code and name, and the goals and objectives to which the strategies pertain. Data sources for the measures are listed in the Plan.

4.3 MFR COMPONENT GUIDANCE

Performance Discussion (PD)

The Performance Discussion submission is an opportunity for agencies to describe what performance data reveal about agency performance during the past year. Agencies are not required to use a specific format, and the agency may discuss overall performance or focus on specific programs or initiatives. Instead of creating a new document for this purpose, agencies may submit documents that are produced for other purposes that discuss performance related to MFR measures, such as reports to the legislative committees, reports to the Federal government, and annual reports.

If an agency is responsible for reporting data for measures included in the MFR State Comprehensive Plan, the agency must submit performance discussions regarding goals and objectives that support the State Plan measures.

A typical performance discussion document includes:

1) A concise statement of overall performance including what reported outcome and efficiency measures and other indicators show about the effectiveness and efficiency of the agency;

2) Outcomes attained and explanations for performance that surpasses, meets, or fails to achieve targets for outcomes and service delivery;

3) When applicable, a comparison of program performance to similar programs in other jurisdictions using information from national standards, benchmarking, the experience of other similar states, or published articles, research, audits, or management evaluations.

If you need any assistance or have questions about the format for the performance discussion, please contact Carissa Ralbovsky at carissa.ralbovsky@maryland.gov.

Strategies (ST)

Only measures reported in the State Plan (which will be indicated in the Excel template) require the submission of a Strategies document. A strategy is a specific course of action that will be undertaken to accomplish goals and objectives and reflects budgetary and other resources.

Like the performance discussion, the strategies document is not required to have a specific format. Further information about strategies can be found on page 66 of the MFR Guidebook at http://www.dbm.maryland.gov/Documents/MFR_documents/MFRGuidebook.pdf.

Data Certification (C)

The Data Certification submission should be a letter written on the agency's letterhead, signed by the agency head or designee, certifying that the entire content of the MFR submission is accurate. For example, the letter can state, "I have fully reviewed the Managing for Results submission for FY 2018 and hereby certify, to the best of my ability, the information to be reliable and accurate."

Data Definitions and Control Procedures (DC)
The legal requirement for agencies to maintain documentation of internal controls is included in Section 3-1002 (d) of the Maryland State Finance and Procurement Article. When establishing performance measurement systems, agencies should ensure that:

- Documentation of data definitions and control procedures is complete, accurate, and consistent;
- Data collection, maintenance, and processing systems are designed to avoid significant error and bias;
- Sufficient information on verification and validation procedures are provided to allow a third party to assess whether those procedures and the reported data are credible; and,
- Control procedures include:
  - Periodic review of data collection, maintenance, and processing procedures;
  - Periodic sampling and review of data;
  - Independent audits; or
  - Other established procedures for verifying and validating data.

In addition, agencies that report data for measures included in the State Comprehensive Plan are encouraged to conduct internal audits every two years of the reported data for those measures.

Data from an external source should be indicated and verified where possible. Verification of third party data may include obtaining from each data source the specific procedures used to ensure data integrity. **Agencies should update definitions and control procedures as necessary.**

Data Definitions: A data definition should include both conceptual and operational components, clearly explaining the measure with a detailed description of its calculation to allow for replication. Formulas for calculation of the measures should be specified in data definitions. Additionally, a complete data definition should fulfill the following criteria:

- Describes the primary source(s) of information, its method of collection and storage;
- Identifies any data limitations, including factors beyond the agency's control; and
- Identifies whether the data is cumulative or non-cumulative.

The reported measure must be consistent with what is being measured in the objective. For example, if the objective measures the <u>percent</u> of Maryland children fully immunized, it would be incorrect to state the measure as the <u>number</u> of children fully immunized.

Control Procedures: Control procedures create a system to ensure that the collection and reporting of performance measures are reliable and accurate. A statement of control procedures should include detailed information regarding data collection and review, and list responsible parties. There are three types of control procedures: input, process, and review:

Input controls are processes developed by an agency to provide reasonable assurance that data collection is accurate. Examples include:
- Data-entry training, including how information will be used and the importance of accuracy;
- Written and established guidelines and procedures for data entry that are used consistently;

- Information received via mail or telephone that is date stamped or logged when received;
- Supervisory review for accuracy of information entered into the computer system;
- Written documentation of the control structure from providers of third-party data; and
- Documentation of the third-party provider's operations to ensure that the information received is accurate.

Process controls are mechanisms to provide reasonable assurance that performance measurement systems use the appropriate information and follow procedures established for data gathering and calculation of each measure. Examples include:

- Review of computer programs used to calculate or store performance data to ensure the correct information is being captured and the desired functions are being performed;
- Databases have all of the basic computer controls such as edit checks, logic checks, edit totals, and access controls;
- Personnel understand the origin of the information and stay current with any changes in its form; and
- Written procedures exist for collecting and calculating measures, and personnel are trained in this area.

Review controls are procedures to verify that an activity occurred and was correctly calculated to provide reasonable assurance that accurate data is reported. Examples include:

- Communication with executive management to ensure that the desired information is being measured or is capable of being measured;
- Review of calculation of the performance data to ensure that the calculation is consistent with the measure definition and to check for mathematical errors;
- Internal audits of performance measures; and
- Review of MFR submissions for accuracy and typographical errors.

Agencies are not required to use a specific format, but should attempt to submit the information indicated in this template. Agencies should revise previously submitted definitions and control procedures if they do not include the required information below.

SAMPLE TEMPLATE FOR DATA DEFINTIONS AND CONTROLS

AGENCY NAME
BUDGET CODE
DATE

SECTION I – DATA DEFINITION

GOAL #

Provide the MFR numbered **goal** for this performance measure.

OBJECTIVE #

Provide the numbered **objective** for this performance measure.

PERFORMANCE MEASURE

Indicate **type** (input, output, outcome, quality, efficiency) and provide a **short name**, one or two words. For example, a short name would be "Recidivism," and in the definition the full name would be "Percent of offenders returned to Department supervision for a new offense within one year of their release."

DEFINITION OF THE PERFORMANCE MEASURE

Provide a complete written description of exactly what is being measured – what is included in and excluded from the measure. Write out a description of the performance measure in plain language suitable for reporting to stakeholders and the public. Define all terms from the written description that may need further explanation to ensure consistent interpretation and calculation.

SECTION II – DATA CONTROL PROCEDURES

SOURCES OF DATA

Data Source/Provider of data: Provide the name of the program/unit if internal source, or the name of the external source/third party provider of data.
Document or database name, file location, and name of organization that collects and maintains the data: Provide the name of the document. If the document is on a personal computer, specify which drive and file folder(s). Indicate if data comes from a paper record, in-house electronic file, or third party database. Provide the Web address if applicable.
Name of data element(s) and location: Write in plain language the name of the data element. Specify where in the document or database the data may be found, such as page number, chart name, column and line location in a chart, worksheet name, etc. Provide the Web address if applicable.
Contact(s) name(s) and e-mail address/phone number(s): What entity or person owns and maintains the database. Specify whom to contact to learn more about the sources of data.

DATA COLLECTION

Describe the **method** of data collection and storage:
Frequency of data collection:
Timeframe data represents (e.g. state fiscal year, federal fiscal year, calendar year, academic year):
Is data is cumulative or by reporting period only?

COMPUTATION OF MEASURE(S)

Calculation method(s) or formula(s): Provide the calculation method or formula to arrive at this performance measure. The formula will include the specific data elements referenced under "Sources of Data" above.

DATA INTEGRITY

How is **accuracy and reliability** of the data ensured? What steps are taken to ensure data is not duplicated?
What **periodic sampling** of data occurs and what audits are performed (internal and external)?
What **verification of data** is done by external sources/third party providers of data (provide data control procedures of third parties if available)?

DATA LIMITATIONS AND ISSUES

Qualifications for use of data: Describe any qualifications for use of the data. Indicate any outstanding issues or action items that need to be addressed.
Improvements needed in data collection and reporting and other limitations: What improvements in terms of data collection, reporting, etc. are needed to make this performance measure more useful?

REPORTING

Frequency: How often will the performance measure be reported?
Method: By what means is the performance measure reported (annual report, on-line, etc.)?
Distribution: Who receives or has access to these reports?
Purpose: For what purpose(s) is the performance measure reported? How is this information used by the recipient(s)?

BENCHMARKS (if applicable)

For **comparison** purposes, cite performance information for similar internal programs or programs in other jurisdictions or other states, national standards, or other sources such as published articles, research, audits, or management evaluations.