

E.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 agencies 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/or 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 the 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 Kelsey Goering at kelsey.goering@maryland.gov or Nick Napolitano at nick.napolitano@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 pages 66 and 67 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 2019 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 biennial internal audits 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 percent of Maryland children fully immunized, it would be incorrect to state the measure as the number 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 DEFINITIONS 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.
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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.
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