



DEPARTMENT OF BUDGET & MANAGEMENT
OFFICE OF BUDGET ANALYSIS

Section E: **MANAGING FOR RESULTS**

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JUNE 2019

E.1 MANAGING FOR RESULTS SUBMISSION REQUIREMENTS

Important Notes for FY 2021:

- **Performance Discussion, Strategies and Data Definitions and Controls Procedures are now included in the MFR Excel template**, so agencies will not submit these documents separately as was done in the past.
- All agencies will submit the MFR on one combined due date of September 6, 2019. This is NOT the same as the due date for your budget request, which is different for each agency.
- DBM asked agencies to submit MFR template changes by May 31, 2019. This allows DBM to update the Excel-based templates and distribute them by the end of June.
- Data submitted by agencies in the template falls into two categories: “MFR” and “DBM/DLS only.” DBM will only publish the “MFR” data in the agency’s official MFR plan.

MFR Submission Files: Each agency must submit the following separate electronic files - [Sections E.2](#) and [E.3](#) provide more guidance for each component.

- MFR Excel template (mandatory): DBM will e-mail each agency an MFR template to complete no later than July 1, 2019. Each agency must use this electronic file to create the FY 2021 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. DBM will ask agencies to resubmit if the files contain alterations.
 - Performance discussions (mandatory): See [Section E.3](#) for guidance.
 - Data definitions and control procedures (mandatory): See [Section E.3](#) for guidance.
 - Strategies (optional with the exception of strategies supporting State Plan measures that are indicated in the Excel template): See [Section E.3](#) for guidance.
- Signed data certification statement (mandatory): Submit as a PDF file.

Submitting MFR Files: Agencies should e-mail MFR documents to oba.mfr@maryland.gov and their DBM budget analyst by **September 6, 2019**. 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, C”. This example indicates that the Excel template (with the performance discussion, strategies and data definitions and control procedures) 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 20 revised 11-12-18.”

The acronyms and examples of file names are shown below:

Acronym:

ET = Excel template (*now includes Performance Discussion, Strategies, and Definition and Controls*)
 C = Certification statement

Examples of file names:

U00 ET 20
U00 C 20

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

- “MFR Do Not Edit” and “All Data” Tabs: The Excel template has three tabs. The “All Data” tab is the only tab the agency needs to update data in. Data entered in the “All Data” tab will automatically populate the “MFR Do Not Edit” tab. The “DC Section Key” tab provides descriptions of what information to include in the Data Definitions and Control Procedures section of the “All Data” tab.
- Few changes to the MFR may occur in the fall: Discussions about changes to the MFR should occur during the spring, as DBM has encouraged in the past. Agencies desiring to change goals, objectives, and measures after May 31 will be considered on a case-by-case basis.
- Explanatory endnotes in the 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 changed. No note is needed if only the target date has changed.
 - Definition or calculation method for a measure changed.
 - Reporting period for data 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 instead.
- 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: Agencies must proofread the Excel template before submitting to DBM to ensure:
 - All requested data is accurate and complete , and
 - Endnote text is concise, grammatically correct, and free of spelling errors.

State Plan Metrics

As a reminder, strategy documents, data definitions and performance discussions are required for ALL STATE PLAN METRICS, even those which are not part of the agency’s Managing for Results Strategic Plan. All of these State Plan metrics are included on the agency’s MFR template on the bottom of the “All Data” tab. For reference, a list of all State Plan measures and the responsible agency is below:

Indicator	Agency/ Data Source	Budget Code	MFR #
1.1. Maryland's growth in total real gross domestic product (in millions of chained [2011] dollars)	U.S. BEA	N/A	N/A
1.2. State Economic Momentum Index	FFIS	N/A	N/A
1.3. Maryland Port Administration total general cargo tonnage, (millions)	MDOT	J00	D9
1.4. Annual BWI Marshall passenger growth rate - Number of passengers	MDOT	J00	M605
1.5. Total State sales tax revenue attributable to tourism (millions)	Commerce	T00	M513
1.6. Percent of MD State Highway Administration network in overall preferred maintenance condition	MDOT	J00	M308
1.7. Ratio between Maryland's unemployment rate and the U.S. rate	U.S. DOL/BLS	N/A	N/A
1.8. Employment Rate of WIOA adult program participants employed during the 2nd quarter after exit	DLLR	P00	M206
1.9. Annual percent change in Maryland per capita personal income	U.S. BEA	N/A	N/A
1.10. Homeownership	U.S. Census	N/A	N/A
1.11. Number of jobs created/retained through Department of Commerce facility attraction and business technical assistance activities	Commerce	T00	M103
3.1. Bond rating from all three nationally recognized bond rating agencies for each issuance of State General Obligation Bonds (maintain AAA rating)	Treasurer's Office	E20	N/A
3.2. Capital debt service as a percent of State revenue	Treasurer's Office (CDAC)	E20	N/A
3.3. Asset to liability ratio for the MD State Retirement and Pension System (funded ratio)	State Retirement and Pension System	G20	SP1
3.4. Difference between the actual rate of return for the composite portfolio and the actuarial return assumption set by the SRA Board of Trustees over one year	State Retirement and Pension System	G20	M101

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Indicator	Agency/ Data Source	Budget Code	MFR #
3.5. Percent of repeat audit findings for State agencies	DBM	F10	N/A
3.6. Projected percentage of ongoing revenues covering ongoing spending based on the Governor's 5-year plan included in the budget allowance	DBM	F10	N/A
5.1. Percent of students entering Kindergarten demonstrating Full Readiness on the Kindergarten Readiness Assessment	MSDE	R00A01	M116
5.2. AP Exams – Percent receiving grade 3, 4, or 5	MSDE	R00A01	M104
5.3. Prekindergarten enrollment	MSDE	R00A01	M107
5.4. High School graduation rate	MSDE	R00A01	M132
5.5. Percent of children in grades 9 through 12 who drop out of school in an academic year	MSDE	R00A01	M131
5.6. Number of teachers with National Board for Professional Teaching Standards Certification	MSDE	R00A01	N/A
5.7. Average percentage of schools surveyed by the Interagency Committee for School Construction in the past six years that received Superior, Good, or Adequate ratings for school maintenance	IAC	R00A07	M205 + M206
5.8. Six year graduation rate of first-time, full-time students at public four-year colleges and universities (all groups)	MHEC (Higher Ed Overview)	R62	M301
5.9. Percent of bachelor's degrees awarded to racial/ethnic minorities at public and private Maryland colleges and universities	MHEC (Higher Ed Overview)	R62	M201
5.10. Four-year transfer and graduation rate of first-time community college students	MHEC (Higher Ed Overview)	R62	M309
5.11. Percent of Maryland median family income required to cover tuition and fees at Maryland public four-year institutions	MHEC (Higher Ed Overview)	R62	M402
5.12. Percent of Maryland median family income required to cover tuition and fees at Maryland community colleges	MHEC (Higher Ed Overview)	R62	M401
5.13. Number of graduates in science, technology, engineering, and math (STEM) from Maryland's public and private higher educational institutions	MHEC (Higher Ed Overview)	R62	M307
5.14. Post-secondary degree attainment rate for Marylanders ages 25 to 64	MHEC (Higher Ed Overview)	R62	M304
5.15. Homicide rate per 100,000	State Police	W00	N/A
5.16. Rate of homicide deaths of children and youth ages 0 to 19 (per 100,000 population)	GOC	D15	N/A
5.17. Traffic fatality rate per 100 million miles traveled	State Police	W00	D3

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Indicator	Agency/ Data Source	Budget Code	MFR #
5.18. Part I crime rate (offenses per 100,000 population)	State Police	W00	D18
5.19. Offenders under Department of Public Safety & Correctional Services jurisdiction	DPSCS	Q00	S103
5.20. Percent of all cases closed where the offender was employed at closing	DPSCS	Q00	M128
5.21. Rate per 100,000 of arrests of youth ages 10 to 17 for violent criminal offenses	GOC	D15	M120
5.22. Youth Recidivism: Percent of youth re-adjudicated within one year after release from all residential placements	DJS	V00	M102
5.23. Percent of live births for which prenatal care was initiated during the first trimester	MDH – Prevention and Health Promotion Administration	M00F03	M203
5.24. Infant mortality rate for all races (per 1,000 live births)	MDH – Prevention and Health Promotion Administration	M00F03	M201
5.25. Maryland’s average annual uninsured rate among the nonelderly (under age 65; estimated)	MDH – Health Regulatory Commissions	M00R	M205
5.26. Percent of Maryland children fully immunized (by 24 months)	CDC	N/A	N/A
5.27. Cumulative percent change from the calendar year 2000 baseline for underage high school students smoking cigarettes	MDH – Prevention and Health Promotion Administration	M00F03	M602
5.28. Percent of public school students in grades nine through twelve who are current drinkers	GOC	D15	M108
5.29. Overall cancer mortality rate per 100,000 persons (age adjusted to 2000 U.S. Standard Population)	MDH – Prevention and Health Promotion Administration	M00F03	M401
5.30. Heart disease mortality rate for all races per 100,000 population (age adjusted)	MDH – Prevention and Health Promotion Administration	M00F03	M302
5.31. Rate of age adjusted new HIV diagnoses (per 100,000 population)	MDH – Prevention and Health Promotion Administration	M00F03	M113
5.32. Rate of primary/secondary syphilis incidence (cases per 100,000 population)	MDH – Prevention and Health Promotion Administration	M00F03	M102
5.33. Percent of children with no recurrence of maltreatment within 6 months of first occurrence	DHS	N00	M301

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Indicator	Agency/ Data Source	Budget Code	MFR #
5.34. Percent of related children and youth under age 18 whose families have incomes below the poverty level (estimated)	U.S. Census	N/A	N/A
5.35. Maryland prevalence of household-level very low food security (3 year average)	USDA	N/A	N/A
5.36. Rate of live births to adolescents between 15 and 19 years of age (per 1,000 women)	GOC	D15	M104
5.37. Statewide percent of current child support paid	DHS	N00	M504
5.38. Rate of children placed in out-of-home care (per 100,000 children)	GOC	D15	M123
5.39. Percent increase in employment of adults at completion of substance abuse treatment	MDH – BHA	M00L	M106
5.40. Percent of adults with serious mental illness who receive mental health services	MDH – BHA	M00L	M203
5.41. Heroin overdose-related deaths in Maryland	MDH – BHA	M00L	N/A
5.42. Chesapeake Bay Habitat Health Index- MD	UMCES EcoCheck	N/A	N/A
5.43. Acres of submerged aquatic vegetation	DNR	K00	M106
5.44. Dredge survey index of stock size - crabs	DNR	K00	M215
5.45. Oyster biomass index	DNR	K00	M218
5.46. Estimated nitrogen load to the Chesapeake Bay from Maryland (in million lbs.)	MDE	U00	M401
5.47. Acres of cover crops planted	MDA	L00	M405
5.48. Waters impaired by nutrients per the Integrated Report of Surface Water Quality – <i>note report done biannually</i>	MDE	U00	N/A
5.49. Percent of Marylanders served by public water systems in significant compliance with all new and existing regulations	MDE	U00	M404
5.50. 3 year average of days the 8 hour ozone standard was exceeded	MDE	U00	M201
5.51. Maryland’s recycling rate	MDE	U00	M104
5.52. Total acres preserved by all land preservation programs	DNR	K00	N/A
5.53. Energy consumption by all State government facilities (owned and leased)	DGS	H00	M503
5.54. Maryland per capita electricity consumption in megawatt hours	MEA	D13	N/A
5.55. Percent of vehicles registered in the state that are alternative fuel, electric or hybrid-electric	MVA	J00	N/A

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Indicator	Agency/ Data Source	Budget Code	MFR #
5.56. Number of children under 6 years of age with elevated blood lead levels – <i>note that the threshold in the State Plan is lower than that included in the MDE MFR.</i>	MDE	U00	N/A
5.57. Maryland rapid transit trips (including Maryland Transit Administration (MTA), Washington Metropolitan Area Transit Authority (WMATA), and Locally Operated Transit Systems (LOTS)). (thousands)	MDOT	J00	M219+ M220+ M413

E.2 SUMMARY OF MFR SUBMISSION REQUIREMENTS FOR FY 2021

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, and 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 2019, include estimates for FY 2020 and FY 2021, 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 changed, estimated data is reported rather than actual data, or if a substantial change took place.
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 must provide performance discussion on a per measure basis in the Excel template, but only for those measures that have a notable trend to explain. Further guidance is provided in Section E.3 .
Key Strategies (ST)	Mandatory only for State Plan	If reporting data for measures included in the MFR State Plan, the agency <u>must</u> submit strategies that support achievement of related goals and objectives. Agencies will provide these within the Excel template. Data sources for the measures must be listed in the State Plan.
Data Definitions and Control Procedures (DC)	Mandatory	Data definitions and control procedures are the first step toward ensuring data integrity. Agencies are asked to provide data definitions and control procedures for all “M” measures within the Excel Template. Further guidance is provided in Section E.3 .
Certification of the Integrity of the MFR Data (C)	Mandatory	Each agency must submit an electronic, PDF certification <u>signed</u> by the agency head or designee that certifies the integrity of the MFR data. The certification letter should include the agency name and budget code. DBM requires only <u>one</u> signed certification to certify the integrity of all of the agency’s data.

E.3 MFR COMPONENT GUIDANCE

Performance Discussion (PD)

The Performance Discussion section is an opportunity for agencies to describe what performance data reveals about agency performance during the past year. Agencies should utilize the “Performance Discussion” column in the “All Data” tab of the Excel template to discuss performance on a per measure basis. **Agencies are NOT required to complete the performance discussion section for every metric, only metrics with a notable trend to explain.**

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 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 within the objectives;
- 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 new format for the performance discussion, please contact Carissa Ralbovsky at Carissa.ralbovsky@maryland.gov.

Strategies (ST)

DBM requires agencies to complete the Strategies section for only measures reported in the State Plan (indicated in the Excel template). A strategy is a specific course of action that will be undertaken to accomplish goals and objectives and reflects budgetary and other resources.

Agencies should use the “Strategies” column in the “All Data” tab of the Excel template to provide strategies for each measure reported in the State Plan.

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 2021 and hereby certify, to the best of my ability, the information to be reliable and accurate.”

Data Definitions and Control Procedures (DC)

Agencies should use the “Data Definition and Control Procedures” section in the “All Data” tab of the Excel template to provide data definition and control procedures on a per measure basis.

Section 3-1002 (d) of the Maryland State Finance and Procurement Article requires agencies to maintain documentation of internal controls. 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 that clearly explain the measure with a detailed description of its calculation to allow for replication. Agencies should specify formulas used to calculate measures in the 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 that 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;
- Reviewing the 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.

DBM requires agencies to use the Excel template to include Data Definitions and Control Procedures in the corresponding sections on the "All Data" tab. Agencies should review the Excel template to ensure all required information is included in their submission.

If you need any assistance or have questions about the new format for the Data Definitions and Control Procedures, please contact Carissa Ralbovsky at Carissa.ralbovsky@maryland.gov.

FY 2021 Operating Budget Submission Requirements

Section Title in "All Data" tab	Column Title in "All Data" tab of	Description of Information to Provide in "All Data" tab
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IDENTIFIERS	Goal Number	Provide the MFR goal number for this performance measure.
	Objective Number	Provide the objective number for this performance measure.
DATA DEFINITION AND CONTROL PROCEDURES	Type (Input, output, outcome, quality, efficiency)	Indicate the performance measure type as input, output, outcome, quality, or efficiency. Refer to the MFR Guidebook Section A.3 (page 84) for additional guidance.
	Description and Definitions of Terms	Provide complete written description of exactly what is being measured in plain language. Define all terms from written description that need further explanation to ensure consistent interpretation and calculation.
	Data Source/Provider of Data	Provide name of the program/unit if internal source, or the name of the external source/third party provider of data.
	Document or Database Source	Provide the document or database name, file location, and name of organization that collects and maintains data and 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.
	Contact Information	What entity or person owns and maintains the database? Specify whom to contact to learn more about the sources of data.
	Method of data collection	Describe the method of data collection and storage.
	Frequency of data collection	Specify how often the data is collected (monthly, annually, etc.)
	Report Timeframe	Specify whether data represent state fiscal year, federal fiscal year, calendar year or academic year.
	Calculation method(s) or formula(s)	Provide the calculation method or formula used to arrive at this performance measure. The formula will include the specific data elements referenced under "Data Source/Provider of Data" above.
	Data Accuracy and Reliability	How is accuracy and reliability of the data ensured? Describe what steps are taken to ensure data is not duplicated (audits, mgmt review, provider processes, etc.).
	Qualifications, limitations, or areas needing improvement`	Describe any qualifications for use of the data. Indicate any outstanding issues or action items that need to be addressed. Identify improvements in terms of data collection, reporting, etc. that are needed to make this performance measure more useful.
	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.