

MANAGEWARE



AUGUST 15th PERFORMANCE STANDARD ADJUSTMENT REQUESTS Guidelines

Summary

In order to ensure adoption of the most accurate expectations of agency performance within the state budget, Title 39 provides that performance standards contained in the adopted budget may, under certain circumstances, be adjusted at the beginning of the fiscal year. However, adjustments to objectives, performance indicators, and performance standards are limited to the following circumstances:

- A department or agency may request adjustment of key or supporting performance indicator standards based on its appropriation. The performance standards proposed in the general or ancillary appropriation bill, as introduced, are based on the governor's executive budget recommendations. During the legislative process, the performance impacts of amendments to the general or ancillary appropriation bill may not have been addressed. As a result, some performance standards (for key indicators contained in the appropriation act and/or supporting indicators contained in the Executive Budget Supporting Document) may not reflect changes between the executive budget recommendation and the appropriation enacted. Departments and agencies are urged to use the performance standard adjustment request process to adjust key and supporting objectives, performance indicators, and performance standards to bring them in line with changes—both increases and decreases—made in an appropriation after introduction of the appropriation bill.
- A department or agency may request adjustment of supporting objectives, performance indicators, and performance standards in the Executive Budget Supporting Document to correct technical errors (such as typographical errors).
- A department or agency may request adjustment of key or supporting objectives, performance indicators, and performance standards to incorporate the impact of legislation enacted during the most recent regular session or an extraordinary session occurring after the regular session, or to incorporate the impact of any change in federal rule, regulation, or law that became effective no earlier than one month prior to submission of the executive budget.
- A department or agency may have been directed by specific language in an appropriation act to submit new or adjusted performance information by August 15. The performance standard adjustment process may be used to introduce new performance indicators or modify existing performance indicators when language in an appropriation act directs that performance information be developed, expanded, or altered; when an appropriation amendment funds a

new program or activity; or when an appropriation amendment breaks out an activity for separate presentation in the appropriation act.

The August 15th performance standard adjustment process may not be used to seek revisions to prior year performance standards. Adjustment requests may not be based on failure to follow guidelines during development of performance standards or even the availability of more recent or accurate data. Performance variances related to these factors may be explained in the comment column of quarterly performance progress reports in the Louisiana Performance Accountability System. General Performance Information indicators are not subject to the performance standard adjustment process since they are reported on a prior year actual basis and do not have performance standards.

You should submit requests for adjustments to objectives, performance indicators, and performance standards to the Office of Planning and Budget (OPB) and the Joint Legislative Committee on the Budget (JLCB) (or a subcommittee thereof), using the Performance Standard Adjustment Request form, no later than August 15th of the new fiscal year. The Performance Standard Adjustment Request form (an MS Excel file) is available on the OPB website (<http://www.doa.state.la.us/opb/index.htm>) under “Forms, Formats, Guidelines, and Memorandum Archive.” Requested adjustments are subject to review and approval by both the OPB and the JLCB (or a subcommittee thereof). Performance standard adjustment requests generally are heard by the JLCB (or a subcommittee thereof) in September. The person(s) from your agency most knowledgeable about performance items on the agenda of the JLCB (or a subcommittee thereof) must be present at these hearings to answer detailed questions.

Performance Spreadsheets

To assist you in identifying needed performance standard adjustments, the OPB provides performance spreadsheets as an attachment to your appropriation letter. A spreadsheet table for each objective in each of your programs is provided. Each table identifies the agency (budget unit), program, objective, and both key (K) and supporting (S) performance indicator names and values. The next-to-last column has the performance indicator values associated with the funding level recommended in the executive budget; these values are the performance standards proposed at the beginning of the appropriation process. **The final column in the table identifies performance indicator values at the initial appropriation level, as shown in the appropriation act that applies to your agency; these values are the initial performance standards for the appropriated fiscal year.**

You may notice some blank cells in the performance tables. During the appropriation process, some performance indicators were revised and some new performance measures were created. In some cases, budget units did not provide performance indicator values for prior year actual, initial operating budget (Act 10 or Act 60), existing operating budget, or continuation levels. Performance tables show blanks where these values are missing. If this is the case for your budget unit, please provide the missing values to the OPB as soon as possible by filling in copies of the pertinent tables and returning them to the OPB. If data are not available or not applicable, then "Not available" or "Not applicable" should be shown in the appropriate table cells.



Appropriation Act

To view the portion of the general or ancillary appropriation act that applies to your agency, go to the legislature's website (<http://www.legis.state.la.us/>) and use the bill/act search function or go to the OPB website for links to appropriation acts.

To the extent possible, the impact of amendments on performance information is tracked and performance standards are adjusted during the appropriation process. However, it is not always possible to identify the performance impacts of an amendment during the time-constrained legislative session. You should review the appropriation act(s) to determine the performance impact of those amendments for which no performance information was addressed during the legislative session and request any needed adjustments to performance standards.

Often, requested adjustments are revisions to objectives and performance indicator standards that already appear in budget and appropriation documents. However, if an appropriation amendment provides funding for a new or expanded service or breaks out an activity for separate presentation, the adjustment may require the establishment of new objectives and/or new performance indicators and standards.

Performance Standard Adjustment Request Form

Requested adjustments should be submitted by program. The Performance Standard Adjustment Request form provides a cover sheet that will allow you to cluster requests by program. The Performance Standard Adjustment Request form is an Excel workbook, with the cover sheet as first "sheet" or "tab." The request form (workbook) includes ten blank "request sheets." Use one request sheet for each program objective that must be adjusted or contains performance indicators for which standards should be adjusted. (If you need more than ten request sheets for a program, simply copy and insert additional request sheets.)

The Performance Standard Adjustment Request form is available on the OPB website (www.doa.state.la.us/opb/index.htm) under [Forms, Formats, Guidelines, and Memorandum Archive](#).

Complete one Performance Standard Adjustment Request form (workbook) for each program under which adjustments are requested. Provide identifier information for department, agency, and program on the cover sheet. Each program cover sheet must be signed by the head of your budget unit and include the name, title, and telephone number of a contact person who can answer any questions about the request.

On each request sheet needed, provide:

- (a) identifier information on agency and program
- (b) the objective containing the performance standard or standard(s) that should be adjusted;
- (c) the performance indicator name, initial standard value, requested adjustment, and resulting revised standard value for each performance standard that should be adjusted; and
- (d) a complete justification for each requested adjustment.

If your budget unit has several programs that require performance standard adjustments, you must submit a separate form (Excel workbook) for each program and number the forms, using the blank provided on the cover sheet of the request form. For example, if your budget unit has three programs, each of which contains performance indicators for which the standards should be adjusted, then you would submit three Performance Standard Adjustment Request forms (Excel workbooks), numbered “1,” “2,” and “3.”

The Performance Standard Adjustment Request form (Excel workbook) is self-explanatory and should cover most situations. However, if you have questions or need technical assistance, please contact the OPB.

Reviewing Performance Standards

Review performance tables and appropriation act(s), with amendments and vetoes, carefully to determine whether:

- (a) a difference in the appropriation and the executive budget recommendation is sufficient to affect performance standards. (For example, an amendment adding or restoring funding and/or positions, would likely have a performance impact, particularly if the performance standards for the affected program had been set at a lower level because of executive budget reductions or denial of a requested continuation level workload adjustment. Also, as a general rule, standards for performance indicators measuring “cost per unit” are affected when funding levels change; and standards related to caseloads and staffing ratios are affected when authorized position levels change.)
- (b) the performance impacts of an amendment are taken into account in all performance standards affected by the amendment. For example, the performance impact on key indicators (those included in the appropriation act) may reflect the impact of an amendment, but the impact on supporting indicators may not have been calculated or reported. In some cases, neither key nor supporting indicators may have been adjusted during the appropriation process to reflect the performance impact of an amendment.
- (c) the performance impacts of a gubernatorial veto are taken into account in all performance standards affected by the veto.
- (d) there is language in the appropriation act directing you to provide new or adjusted performance information by August 15th.
- (e) a technical error (such a typographical error) exists in a supporting objective, performance indicator, or standard.
- (f) key or supporting objectives, performance indicators, and performance standards need adjustment to incorporate the impact of legislation enacted during the most recent regular session or to incorporate the impact of any change in federal rule, regulation, or law that became effective no earlier than one month prior to submission of the executive budget.

**REMEMBER**

Budget units and their programs are held accountable for achievement of performance standards and may receive rewards or penalties based on their performance and compliance with the requirements of performance-based budgeting. It clearly is to your advantage to scrutinize initial performance standards and, under appropriate circumstances, request adjustments that reflect the impacts of appropriation amendments that increase or decrease funding levels from the Governor's executive budget recommendation.

Submitting Performance Standard Adjustment Requests

Submit Performance Standard Adjustment Request forms to the Office of Planning and Budget and the Joint Legislative Committee on the Budget by August 15th of the new fiscal year.

- Deliver requests to the OPB at Room 242 of the Capitol Annex, 1051 North Third Street or mail them to the Office of Planning and Budget, Division of Administration, P.O. Box 94095, Baton Rouge, LA 70804-9095. As in the case of BA-7 requests, a performance standard adjustment request must be a hard copy with appropriate signature. A faxed request is not considered an official request. Any performance standard adjustment request faxed to the OPB must be followed immediately by a signed hard copy.
- For JLCB review, send one copy of your request to the JLCB Performance Review Subcommittee (Attention: Read). This copy may be delivered to the 11th Floor, State Capitol, or mailed to P.O. Box 44097, Baton Rouge, LA 70804. Send a second copy to the Legislative Fiscal Office (Attention: Monk). This copy may be delivered to the 18th Floor, State Capitol, or mailed to P.O. Box 44097, Baton Rouge, LA 70804.

Requests for performance standard adjustments are reviewed by both the OPB and the JLCB (or a subcommittee thereof). Requests will be heard and decided at a meeting of the JLCB Performance Review Subcommittee and/or the full JLCB (usually in September). The person(s) from your agency who is/are most knowledgeable about performance items to be heard by the JLCB or JLCB Performance Review Subcommittee must be present at the committee hearing(s) to answer detailed questions. If approved by the JLCB (or a subcommittee thereof), adjustments to performance standards in the official performance database (the Louisiana Performance Accountability System or LaPAS) will be made by the OPB.

More information on performance standards may be found in "Guidelines for Development and Revision of Performance Standards." These guidelines are available, under [Forms, Formats, and Guidelines](#), on the OPB website (www.doa.state.la.us/opb/index.htm). Please direct any questions about performance standards or the performance standard adjustment request process to the OPB at (225) 342-7005.