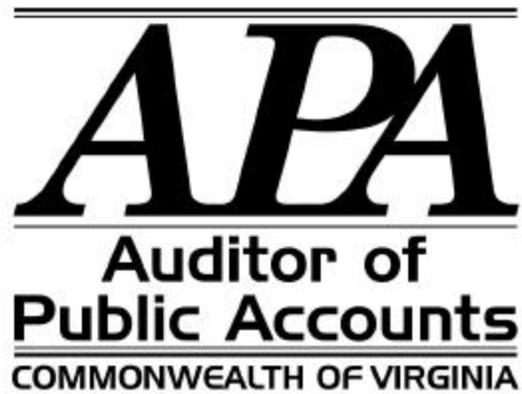


REVIEW OF PERFORMANCE MEASURES



SUMMARY

Results of Review

In performing our work, we reviewed and analyzed the database underlying the performance measures information reported by Planning and Budget on the Virginia Results website. We also performed a preliminary review of college and university performance information reported by the State Council of Higher Education on their website.

We found the performance measures information on the Virginia Results website is incomplete because many agencies have not reported the required information. We believe both the individual agencies and Planning and Budget must improve their procedures to ensure that the performance information reported on Virginia Results is complete. Our preliminary review of performance information reported on the State Council of Higher Education website indicated that the performance information for colleges and universities was complete.

Overall Performance Management Issues

There are several related issues that require examination if performance management is going to be fully implemented in Virginia. Currently, the Commonwealth is allocating resources to accumulating and reporting strategic planning and performance measurement information. Before the Commonwealth continues to allocate resources to this effort, there are some critical issues that need to be addressed. The Commonwealth needs to examine whether agencies have selected the most appropriate performance measures for evaluating the effectiveness of programs, activities and agencies in state government. This includes identifying the specific users of the information, as well as how to use the information. Without addressing and resolving these issues, the Commonwealth will continue to allocate resources to collecting and reporting performance information that may have limited use.

- TABLE OF CONTENTS -

Summary

Transmittal Letter

Introduction and Background Information

Review of Performance Measures Information

Appendix A - Summary of Findings by Agency and Performance Measure

Appendix B - Code of Virginia Section 30-133 (Auditor of Public Accounts)

Appendix C - Code of Virginia Section 2.2-1501 (Department of Planning and Budget)

November 8, 2002

The Honorable Mark R. Warner
Governor of Virginia
State Capitol
Richmond, Virginia

The Honorable Kevin G. Miller
Chairman, Joint Legislative Audit
and Review Commission
General Assembly Building
Richmond, Virginia

Gentlemen:

We have completed a review of the Commonwealth's performance measures reported to the Department of Planning and Budget and the State Council of Higher Education as required by Section 30-133 of the Code of Virginia.

Objective and Scope

Our objective was to review the performance measures information reported on the Virginia Results Internet website to determine whether the information was complete. Our review also included performance measures information for colleges and universities as reported on the State Council of Higher Education website. We did not perform work to determine the accuracy of the performance measures information reported.

This first report serves to establish a baseline of information and provide a background on the status of performance measures in the Commonwealth. While this Office has periodically performed reviews of performance measures in individual agencies and institutions, this review focuses primarily on the Department of Planning and Budget's mechanism for reporting the results of these performance measures to the public.

Results of Review

In performing our work, we reviewed and analyzed the database underlying the performance measures information reported by Planning and Budget on the Virginia Results website. We also performed a preliminary review of college and university performance information reported by the State Council of Higher Education on their website.

We found the performance measures information on the Virginia Results website is incomplete because many agencies have not reported the required information. We believe both the individual agencies and Planning and Budget must improve their procedures to ensure that the performance information reported on Virginia Results is complete. Our preliminary review of performance information reported on the State

Council of Higher Education website indicated that the performance information for colleges and universities was complete.

Overall Performance Management Issues

There are several related issues that require examination if performance management is going to be fully implemented in Virginia. Currently, the Commonwealth is allocating resources to accumulating and reporting strategic planning and performance measurement information. Before the Commonwealth continues to allocate resources to this effort, there are some critical issues that need to be addressed. The Commonwealth needs to examine whether agencies have selected the most appropriate performance measures for evaluating the effectiveness of programs, activities and agencies in state government. This includes identifying the specific users of the information, as well as how to use the information. Without addressing and resolving these issues, the Commonwealth will continue to allocate resources to collecting and reporting performance information that may have limited use.

Exit Conference

We discussed this report with Planning and Budget management and administration officials at an exit conference held on December 4, 2002.

AUDITOR OF PUBLIC ACCOUNTS

LCR/kva
kva: 26

INTRODUCTION AND BACKGROUND INFORMATION

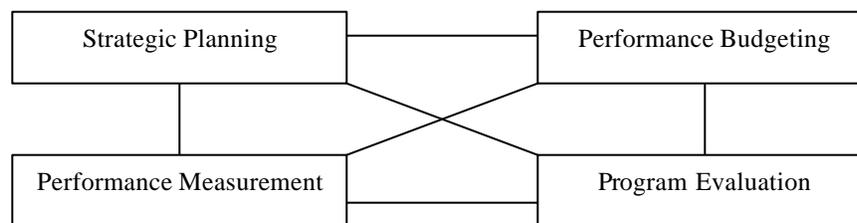
In the 2002 legislative session, House Bill 1003 amended Section 30-133 of the Code of Virginia, requiring the Auditor of Public Accounts to review and report annually on whether state agencies are providing and reporting appropriate information on financial and performance measures to the Department of Planning and Budget. The legislation also required that the Auditor review the accuracy of the management systems used to accumulate and report the results and make recommendations for new or revised performance measures. While the bill became effective July 1, 2002, we want this report to help establish a baseline for the central reporting of performance measures and highlight some general issues with the maintenance of these measures.

Our report contains background information on the Commonwealth's performance management system as well as the results of our review of the performance measurement information reported on Virginia Results, the Commonwealth's internet-based performance information system. We also report results from our preliminary review of college and university performance measures reported on the State Council of Higher Education website. This report includes a number of recommendations, several of which further support recommendations made by the Performance Management Advisory Committee.

Performance Management System

The Department of Planning and Budget is the agency responsible for developing and directing the Commonwealth's performance management efforts. The Code of Virginia, Section 2.2-1501 directs Planning and Budget to develop, coordinate, and implement a performance management system involving strategic planning, performance measurement, evaluation, and performance budgeting within state government.

Virginia's current performance management system was implemented in the mid-1990's. The performance management system has four linked processes: strategic planning, performance measurement, program evaluation, and performance budgeting. Planning and Budget has defined these four processes and their relationship to each other as follows:



- **Strategic planning:** Systematic clarification and documentation of what an organization wishes to achieve and how to achieve it.
- **Performance measurement:** Systematic collection and reporting of information that track resources used, work produced, and intended results achieved.
- **Program evaluation:** Systematic collection and analysis of information to determine a program's performance and reasons for achieving the level of performance.
- **Performance budgeting:** Systematic incorporation of performance information (planning, performance measurement, and evaluation information) into the budgetary process.

The Governor required state agencies to prepare their first strategic plans in 1995. These strategic plans included an agency mission statement, strategic goals, identification of key customers and their needs, and performance measures. The planning process involved the agency, as well as representatives from the Governor's office and Planning and Budget. Since then, agencies have updated their strategic plans as directed and must submit them to Planning and Budget and the Cabinet Secretary for review.

In 2000, the General Assembly passed legislation requiring Planning and Budget to develop, implement, and manage an Internet-based performance information system, so that citizens could have access to the information. To address this legislation, Planning and Budget developed and implemented "Virginia Results." Virginia Results is part of the Planning and Budget website and was developed by Planning and Budget staff. Virginia Results contains strategic planning and performance information for each executive branch agency, not including colleges and universities. Information reported on Virginia Results includes agency mission statements, key customers, critical issues, and performance measures results. Planning and Budget also collects and reports information on statewide quality of life indicators. Citizens have access to this information on the Internet through the Planning and Budget website or through links on the Governor's website.

When initially implemented, agencies submitted the information to their Planning and Budget analyst, who then entered the information into a performance measures database. Since then, Planning and Budget has developed Virginia Results to give agencies the capability to enter and change their performance information online. Planning and Budget controls agency access to Virginia Results and advises agencies when it is time to update information; however, Planning and Budget relies on agencies to update their own performance information.

Performance Measurement

Performance measurement is one of four components in Virginia's performance management system. When agencies first developed strategic plans in 1995, they had to develop three to five performance measures. The agencies developed their measures, which Planning and Budget and the Joint Legislative Audit and Review Commission (JLARC) staff then reviewed. The reviews ensured measures were meaningful and reasonable, given the nature of the agency and programs. As part of this process, agencies also developed performance baselines and targets for each measure. Agencies began reporting on the results for each performance measures in fiscal year 1996.

Since then, agencies have reported the results of performance measures to Planning and Budget on an annual basis, but there have been some changes in the reporting process. Planning and Budget now requires that each agency have at least one performance measure with no maximum limit on the number of measures allowed on Virginia Results. In addition, agencies can modify performance measures information without review by Planning and Budget or JLARC, and changes can include adding new measures or deleting existing measures. Although Planning and Budget has started documenting these changes, there is no approval required. Planning and Budget recommends that agencies only make changes to performance measures if it will make the measures more useful and relevant. Furthermore, agencies do not need to report baseline or target information for each measure. If an agency chooses to report a target performance level, Planning and Budget requires that they also identify a target year.

An additional change in performance measurement reporting affected colleges and universities. Planning and Budget, in collaboration with higher education institutions and the State Council of Higher Education in Virginia (SCHEV), developed core performance measures for all higher education institutions in 1995. The colleges and universities reported these measures to Planning and Budget for inclusion on Virginia Results beginning in 1996 through fiscal year 2000. In 2000, Planning and Budget delegated the responsibility for strategic planning, as well as accumulating and reporting performance information for

colleges and universities to SCHEV. Chapter 814 of the Appropriation Act required that SCHEV develop Reports of Institutional Effectiveness (ROIE) and coordinate efforts with Planning and Budget to minimize the duplication of performance measures information for colleges and universities. As a result, SCHEV began including both system-wide and institution-specific performance measures information in their ROIE in July 2001. These reports are available on the SCHEV website and accessible to citizens.

The current Governor has developed and implemented executive agreements with agency heads and cabinet secretaries. These agreements include some performance measures for evaluating individual performance, as well as new measures to evaluate agency performance. Virginia Results includes all these measures in a restricted area inaccessible to citizens.

REVIEW OF PERFORMANCE MEASURES INFORMATION

We requested and obtained a copy of the Virginia Results database on October 11, 2002. The database is the underlying source for the information presented on the Virginia Results Internet site. This database included performance measures information and results for each agency for fiscal years 1996 through 2002. Each agency was responsible for entering results for fiscal year 2002 by August 23, 2002.

The database contained information on 686 performance measures. Of these measures, colleges and universities had 323 performance measures, but beginning with fiscal year 2001 Virginia Results no longer reports these measures. As already discussed, performance information for colleges and universities is now reported as part of ROIE on the SCHEV website. We performed a preliminary review of the performance measures information on the SCHEV website and found the performance results appeared to be complete.

We analyzed the remaining 363 performance measures for state agencies reported in the Virginia Results database. We reviewed the database for completeness to ensure that it included the required information that agencies must report each year. We did not determine the accuracy of the performance information reported and we did not evaluate the appropriateness of the measure as part of this review.

Overall, we found that the agency performance measures information reported on the Virginia Results Internet site is incomplete. We reviewed 363 agency performance measures and found the following specific issues. We have included Appendix A in our report, which details these exceptions by performance measure and agency.

- 143 (40 percent) performance measures with no reported 2002 performance results.
- 69 (20 percent) performance measures with no reported 2001 performance results.
- 26 (8 percent) performance measures with no reported 2000 performance results.
- 222 (61 percent) performance measures had targeted performance levels, but did not specify a targeted year.
- Eleven agencies did not record the required strategic planning information on Virginia Results such as a mission statement, strategies, and critical issues.
- Six performance measure target years were not in the correct format. They were recorded as a number instead of a year.

Overall, there are several breakdowns in the process, which resulted in the incompleteness in the performance data. First, agencies are not entering information as required by Planning and Budget. Planning and Budget gives agencies instructions for entering data in Virginia Results; however, agencies are not always following these instructions. Second, Planning and Budget does not routinely follow up with agencies on incomplete or inconsistent information. Lastly, Planning and Budget does not regularly review the information entered by agencies for reasonableness.

Recommendations

Virginia Results Issues

Virginia Results is the Commonwealth's official Internet website for performance information on government programs and activities. The information on Virginia Results is accessible to citizens, as well as government leaders, therefore, it is important that the information be complete and consistent. We make the following specific recommendations to strengthen the procedures and clarify responsibilities for recording and reporting performance information on Virginia Results.

1. Agencies must follow Planning and Budget's instructions for entering and reporting information. Agencies need to ensure their performance management information is properly updated and timely. Agencies also need to ensure that they report all required information.
2. It is not clear who has responsibility for ensuring the required information is reported. The question remains whether this information is the responsibility of the agency or Planning and Budget. Planning and Budget needs to resolve this issue and clearly define this responsibility before it can improve the process.
3. Planning and Budget needs to improve their procedures for reviewing the data. They should periodically review the data for reasonableness and completeness and include a follow-up with agencies not reporting information. Planning and Budget should also determine whether it is possible to build any edit checks into the database, which could flag fields that are incomplete.
4. Another area requiring examination is Planning and Budget's responsibility for reviewing changes to existing performance measures. Currently, agencies can modify, add, or delete measures without review. Planning and Budget recommends that agencies only make changes to performance measures information if the change will make the measures more useful and relevant; however, these changes are not reviewed or approved.
5. The Governor's office needs to clarify the relationship between the performance measures in executive agreements and the performance measures reported on Virginia Results.

Overall Performance Management Issues

There are several related issues that require examination if performance management is going to succeed in Virginia. Currently, the Commonwealth is allocating resources to accumulating and reporting strategic planning and performance measurement information. While the Commonwealth has a good

performance management reporting system in place, there remain many questions about whether the current performance measures are the appropriate measures for evaluating government programs and activities.

Thus far, agencies have had the majority of the responsibility for developing and changing their own performance measures. There has been limited input from the legislature, citizens, and others in government on which measures are appropriate for an agency or program. As a result, it is questionable whether the Commonwealth is collecting the most useful performance information to provide a fair and objective evaluation of government programs and services. As part of this process, the Commonwealth has not adequately defined who the users of the information are or how either the executive branch or legislature will use the information. It is unclear the extent to which agencies or the administration currently use this information to make decisions, both at an agency and statewide level. It is also unclear whether this information is useful to citizens for evaluating government programs and activities.

Additionally, there has not been an implementation of this process, on even a limited basis, to fund either new or existing programs or activities using a performance management funding model. A successful performance management system requires leadership and active participation by both the executive and legislative branches. Additionally, it requires a clear definition of the roles and responsibilities in the performance management process. To start this process, the Commonwealth needs to identify and use a performance management process to fund a limited number of programs or activities to show how this process would work.

The Performance Management Advisory Committee, established in 2000, has addressed similar issues in their reports dated August 2001 and August 2002. Their August 2002 report included several recommendations designed to improve performance management in the Commonwealth. These recommendations addressed the areas of public assurance, leadership, organizational performance management, communication, and human capital. We believe our recommendations in this report further support several recommendations made by the committee.

SUMMARY OF FINDINGS BY AGENCY AND PERFORMANCE MEASURE

Key:

- A Virginia Results database did not include FY 2002 performance data
- B Virginia Results database did not include FY 2001 performance data
- C Virginia Results database did not include FY 2000 performance data
- D Virginia Results database did not include both target performance level and target year
- E Virginia Results Internet website did not include strategic planning information
- F Virginia Results target year is not in the correct format

Agency	Performance Measure	A	B	C	D	E	F
Department of Planning and Budget	Average number of days between submission of proposed regulations and completion of DPB review	X					
Department of Military Affairs	Response time to emergency missions from Department of Emergency Management (in average hours per response)				X		
	Composite rating of troop strength (composite score of troop strength, recruiting, and retention rates)				X		
	Percentage of Virginia National Guard units that meet assigned federal readiness objectives in the areas of personnel, training, and equipment readiness, including equipment on hand				X		
	Percentage of Challenge Program cadets that either enter the military, attend school, or gain a job				X		
Department of Emergency Management	Dollar value of damage to property in relation to property value of disaster affected areas (millions)				X		
	Percentage of Virginia Emergency Operations Center warnings sent within 15 minutes of receipt of information				X		
	Number of persons successfully completing emergency management training				X		
	Average lives lost in disasters (flood, wind, tornado, and lightning) in relation to population (millions) affected by disasters				X		
Department of Human Resource Management	Average total premium per employee under the state health plan as a percentage of the average in other government plans	X					
	Level of satisfaction of recipient agencies with consulting services and technical assistance (6 equals maximum satisfaction)	X			X		

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Department of Human Resource Management, cont.	Level of satisfaction with training offered as measured through separate surveys of training recipients and of the agency's key management personnel (6 equals maximum satisfaction)	X			X		
Department of Veteran's Affairs	Number of appeals filed by veterans	X					
	Cost per claim filed (in dollars)	X			X		
	Level of satisfaction by veterans who are filing claims	X	X		X		
State Board of Elections	Percent of agency's publications and forms placed on the internet	X	X		X	X	
	Number of ballot inaccuracies per general election	X	X		X		
	Percentage of filings in violation of Campaign Finance Disclosure Act	X	X		X		
Department of Technology Planning	Percentage of information technology procurements which represent resource sharing initiatives				X		
Department of Information Technology	Average time in hours to resolve reported critical problems	X			X		
	Level of satisfaction with the quality of services provided by the System Development Division as measured through client surveys (percentage)	X			X		
	Percentage long distance service cost discount per unit supporting state government versus standard private sector rates (discount from AT&T switched-to-switched daytime tariff)	X			X		
Department of Criminal Justice Services	Number of offenders diverted from local jails through participation in Pretrial Services Act	X	X		X		
	Grant dollars awarded to state agencies, localities, and private organizations (\$ in millions)	X	X		X		
	Number of criminal justice training events	X	X		X		
	Percentage of customers who rated criminal justice training above average	X	X		X		
	Annual number of DNA profiles added to the DNA database (in thousands)	X	X		X	X	

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Department of Criminal Justice Services, cont.	Annual number of clients served by court appointed special advocate volunteers	X	X		X		
Science Museum of Virginia	Annual attendance at museum sites (in thousands)	X			X		
	Membership renewal rate	X			X		
	Average revenue generated per visitor (in dollars)	X			X		
Virginia Commission for the Arts	Employment tied to nonprofit organizations				X		
	Public attendance at commission-assisted arts events (millions)				X		
	Number of arts events for the public (in thousands)	X			X		
	Number of students participating in arts activities in elementary and secondary schools that supplement the arts education curriculum (in millions)	X			X		
	Amount of private and local government financial support for the arts (\$ in millions)				X		
Department of the State Internal Auditor	Number of State Employee Fraud, Waste, and Abuse Hotline investigations completed during the fiscal year	X			X		
	Amount of funds identified in substantiated cases. This includes savings, recoveries, waste, and/or abuse	X			X		
	Obtain a minimum overall student evaluation rating of four on a scale of 1-5 for each class with 5 being the highest rating				X		
	Average level of satisfaction with the quality of audit and review services provided by the Department of the State Internal Auditor as measured through Audit Customer Surveys (1=poor, 5=excellent)	X			X		
	Percentage of tuition cost savings relative to the cost of similar, publicly offered courses				X		
Department of Accounts	Number of years out of the previous ten that Virginia received an unqualified opinion as to the accurate and timely completion of the year-end reconciliation of the General Ledger to the Appropriation		X		X		

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Department of Accounts, cont.	Total number of checks avoided by Electronic Data Interchange and Small Purchase Charge Card programs (in thousands)	X			X		
	Number of years out of the previous 10 that Virginia received the "Certificate of Achievement for Excellence in Financial Reporting"		X		X		
	Percentage of agencies with noncompliance (exception) rates for vouchers of less than four percent	X			X		
Department of Motor Vehicles	Percentage of customers using mail service, telecommunications, and electronic means for processing and paying for renewal transactions	X			X		
	Cost per customer served (in dollars)	X			X		
	Percent customer satisfaction and service effectiveness as measured by customer survey (100 percent equals maximum satisfaction)		X		X		
Compensation Board	Customer satisfaction survey results (Sheriffs' feedback) (5 equals maximum satisfaction)	X	X	X	X		
	Percentage of staff hours spent in providing direct assistance to constitutional officers	X	X	X	X		
	Percentage of staff hours spent in administering monthly reimbursement process	X	X	X	X		
Department for the Aging	Fees collected as a percentage of total expenditures in the fee-for-service program				X		
	Average cost per service unit for home delivered meals (in dollars)				X		
	Average cost per service unit for congregate meals (in dollars)				X		
	Units of congregate meals provided (in thousands)				X		
	Units of home delivered meals provided (in thousands)				X		
Department of Housing and Community Development	Percentage of households placed in permanent housing from transitional shelters				X		
	Number of customers receiving technical service and assistance (in thousands)				X		
	Number of new or retained jobs attributable to local or regional participation in department community development programs				X		

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Department of Housing and Community Development, cont.	The number of housing units improved through DHCD'S Housing Programs			X	X		
Human Rights Council	Percentage of complaints filed that are Equal Employment Opportunity Commission complaints	X	X		X		
	Percentage of clients who believe the agency's investigations of complaints were handled in a fair and impartial manner	X	X		X		
	Customer satisfaction with council's prevention strategies (100 equals maximum satisfaction)	X	X		X	X	
Charitable Gaming Commission	Number of charitable gaming organizations inspected	X			X		
	Number of public "town meetings" held to provide information and training for charitable gaming organizations	X			X		
Virginia Office for Protection and Advocacy	Percentage of cases resolved in administrative forums				X		
	Percentage of client complaints about agency services				X		
	Percentage of clients satisfied at case closure as assessed by survey				X		
Department of Labor and Industry	Workplace safety and health hazards identified and corrected annually	X					
	Number of boiler and pressure vessel inspections annually conducted under the agency's jurisdiction	X					
	Number of payment of wage claims investigated and closed annually	X					
Virginia Employment Commission	Percentage of appeal decisions made within 30 days of the date appeal is filed				X		
	Percentage of first payments made within 14 days of the first compensable week				X		
Department of General Services	Rental rates for state facilities versus private sector rates	X			X		
	Percentage of recommendations for approval (or disapproval) of real property transactions completed in two weeks	X			X		

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Department of General Services, cont.	Percentage of tests completed within customer-defined holding times	X			X		
	Percentage of capital outlay reviews completed within 21 days from receipt of documents	X			X		
Comprehensive Services	The percentage of Comprehensive Services Act (CSA) youth served in community and family based settings compared to CSA total youth served	X			X		
	Annual program expenditure growth rate	X			X		
	Statewide average cost per youth receiving benefits in the Comprehensive Services Act program (in thousands)	X			X		
Department of Education	Student access to computer technology	X			X		
	Student access to regional alternative education programs (number of students served)	X			X		
	Student performance against Standards of Learning in grades 3, 5, 8, and high school	X			X		
	Percent of high school graduates who earned the Advanced Studies Diploma in 1998-99			X	X	X	
	Number of at-risk four-year-olds served statewide in state-supported pre-school programs	X			X		
	Percent of 9th through 12th grade students who took one or more courses for college credit in 1998-99			X	X	X	
	Percent of 9th through 12th grade students who took one or more Advanced Placement Courses in 1998-99			X	X	X	
University of Virginia Medical Center	Case mix adjusted salary cost per adjusted discharge (in dollars)				X		
	Case mix adjusted non-salary cost per adjusted discharge (in dollars)				X		
	Case mix adjusted average length of stay (in days)				X		

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Virginia School for the Deaf, Blind and Multi-disabled at Hampton	Number of students, parents, and professionals assisted through outreach and local assistance services	X	X		X		
	Percent increase in multi-disabled graduates successfully transitioning to employment or activity centers	X	X		X		
	Percentage of deaf students with disabilities transitioning to work and post-secondary programs	X	X		X		
	Percentage of students with visual disabilities transitioning to work and post-secondary programs	X	X		X		
	Percentage of all students completing annual goals of Individual Education Plan (IEP)	X		X		X	
Melchers-Monroe Memorials	Revenue from paid admissions as a percent of total appropriation	X	X		X		
	Total annual visitation (in thousands)	X	X		X		
	Total nongeneral funds as a percentage of total appropriation	X	X		X	X	
Department of Professional and Occupational Regulation	Number of days to process enforcement complaints				X		
	Percentage of applicants failing to meet board's screening, but eventually issued a license				X		
	Percentage of incoming calls answered by the ARVIS system				X		
	Percentage of regulatory complaint investigations resulting in findings of "no violation"				X		
	Percentage of unlicensed activity investigations resulting in warrants being issued				X		
	Weighted average regulatory fee for programs within the department (in dollars)				X		
Department of Minority Business Enterprise	Net increase in the number of minority vendors certified to participate in the Commonwealth's minority vendor program	X			X		
	Number of jobs created by new or existing companies assisted by the agency	X			X		

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Department of Minority Business Enterprise, cont.	Percentage of Commonwealth's reportable expenditures obtained by minority vendors	X			X		
	Number of loans guaranteed under the P.A.C.E. program	X		X	X		
Frontier Culture Museum of Virginia	Customer satisfaction (5 equals maximum satisfaction)	X			X		
	Nongeneral fund forecast accuracy	X			X		
	Percentage of total funding from nongeneral fund sources	X	X		X		
	Total visitation (in thousands)	X	X		X		
State Council of Higher Education in Virginia	Average percentage variance in enrollment projections for institutions of higher education	X	X		X		
	Benefits of participation in SCHEV's advisory committees	X	X				
	Composite measure of SCHEV Institutional Research (IR) unit's data improvement, processing and output outcomes	X	X				
	Degree of value-added in OCR-mandated programs on minority student recruitment/retention as indicated by comparing retention of students enrolled in retention programs with students not involved in program (matched on gender, SAT scores, high school GPA)	X	X				
Department of Rehabilitative Services	Number of successful vocational rehabilitation case closures after customer achieved an employment goal and worked at least 90 days	X					
	Accuracy rate of disability claims processed				X		
	Mean processing time of disability claims processes				X		
	Of all individuals determined to have achieved an employment outcome, the percentage who exit the VR program in competitive, self-, or business enterprise program (BEP) employment with earnings equivalent to at least the minimum wage	X	X	X			
	Of all individuals who exit the VR program in competitive, self-, or business enterprise program (BEP) employment with earnings equivalent to at least the minimum wage, the percentage who are individuals with significant disabilities	X	X	X			

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Virginia Rehabilitation Center for the Blind and Vision Impaired	Number of students who have received computer training				X		
	Percentage of students successfully completing training				X		
	Percentage of students who have increased their level of independent functioning as a result of training received, as assessed by survey				X		
Virginia Institute of Marine Science	Length of time to graduation for Master of Science (in months)				X		
	Number of research publications produced per census member		X		X		
	Number of responses provided by staff through Advisory Service (in thousands)		X		X		
	Percentage of water samples that can be accurately diagnosed for Pfiesteria and Pfiesteria-related organisms using specific molecular diagnostic tools		X	X	X		
	Utilization rate (in days) of Eastern Shore Laboratory for research and education by William and Mary and other Virginia educational institutions				X		
Medical College of Hampton Roads	Percentage of medical school graduates entering generalist medicine residencies	X	X		X	X	
	Percentage of students passing the U.S. Medical Licensing Exam (part 2) compared to national average	X	X		X		
Department of Agriculture	Number of food safety inspections per full-time-equivalent				X		
	Number of marketing assistance contacts to promote sales of Virginia agricultural products (in thousands)				X		
	Percentage of consumers aware of the Virginia's Finest Program				X		
Milk Commission	Gallons of milk available to satisfy consumer demand, as a multiple of actual sales				X		
	Monthly Virginia milk producer price compared to producer prices in adjacent states, per hundred weight				X		
Virginia Economic Development Partnership	Billions of dollars invested by new or existing companies assisted by the partnership	X			X		

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Virginia Economic Development Partnership, cont.	Jobs created by new or existing companies assisted by the partnership (in thousands)	X			X		
	Number of companies assisted that increased exports to existing markets, exported to new markets, or are first-time exporters	X			X		
	International Marketing Plans Coordinated	X			X		
Department of Business Assistance	Amount of new capital investment generated from assistance provided by the Small Business Development Centers each year (\$ in millions)	X			X		
	Amount of public and private sector financing for Virginia businesses provided by, leveraged, or facilitated through Virginia Small Business Financing Authority programs each year (\$ in millions)	X			X		
	Number of business employees trained each year (in thousands)	X			X		
	Number of businesses receiving financing through the Virginia Small Business Financing Authority each year	X			X		
	Number of new and existing businesses provided training each year	X			X		
Department of Game and Inland Fisheries	Accidents per 1,500 registered recreational watercraft (boats)	X	X		X		
	Accidents per 200 personal watercraft (jet skis)	X	X		X		
	Dollar amount of privatization and participation in partnership projects with local governments for maintenance, facilities access, and habitat development (\$ in thousands)	X	X		X		
	Number of bears harvested	X	X		X		
	Number of deer harvested (in thousands)	X	X		X	X	
	Number of turkeys harvested (in thousands)	X	X		X		
	Percentage of allocated fish stocked into the inland waters of the Commonwealth	X	X		X		
	Percentage of boat registrations processed within 20 days	X	X		X		
Percentage of calls for law enforcement assistance, which receive a response within 24 hours	X	X		X			

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Chesapeake Bay Local Assistance Department	<p>Provide assistance to the 84 Tidewater Local Governments in amending local Chesapeake Bay Preservation Act Ordinances to reflect the December 2001 changes</p> <p>Provide assistance to Tidewater local governments to incorporate Better Site Design Principles into their local Bay Act and other land use ordinances</p>		X	X			
Department of Mines, Minerals and Energy	<p>Number of incidents in permitted coal mines, mineral mines, and gas and oil operations that caused off-site damage per 100 permitted sites</p> <p>Number of responses to customer needs for business-related technical assistance, training, certifications, and information (in thousands)</p> <p>Percentage of timely decisions made on initial permit applications for mineral mines, coal mines, and gas and oil operations</p> <p>Serious personal injury/fatality incidents per 200,000 work hours for Virginia's coal and mineral mines</p>						<p>X</p> <p>X</p> <p>X</p> <p>X</p>
Department of Forestry	<p>Acres of forest land improvement and renewal (in thousands)</p> <p>Forest acres burned each year per 1,000 protected acres of forest</p> <p>Miles of riparian forest buffer established statewide</p>	X			X		
Gunston Hall	<p>Customer satisfaction</p> <p>Nongeneral fund income (\$ in thousands)</p> <p>Total visitation (in thousands)</p>	X	X		X		<p>X</p>
Department of Historic Resources	<p>Historic properties registered and/or marked for their historic significance (composite of register and highway markers)</p> <p>Historic properties protected and/or documented by their owners/managers through use of DHR programs</p> <p>Private and local dollars invested in historic rehabilitation and other heritage stewardship activities as a result of department assistance (in millions)</p>			X	X	X	

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Department of Historic Resources, cont.	Numbers of new records on historic properties entered into the department's automated database to be more accessible to the public and private sectors			X			
Department of Environmental Quality	Percentage of air permits meeting statutory standards issued within processing time goals				X		
	Percentage of permitted facilities brought into compliance with applicable federal, state, and agency rules, laws, and regulations				X		
	Percentage of waste permits meeting statutory standards issued within processing time goals				X		
	Percentage of water permits meeting statutory standards issued within processing time goals				X		
	Total number of general permits issued in all media				X		
Department of Transportation	Virginia driver's satisfaction with VDOT core services (5 equals maximum satisfaction)			X	X		
	Percentage of construction projects completed within 10 percent of contracted amount				X		
	Number of injuries to VDOT employees resulting in lost time (per one million hours worked)				X		
Department of Rail and Public Transportation	Number of additional jobs created per \$100,000 expenditure in industrial access railroad funds						X
	Number of railroad carloads per \$100,000 expenditure in industrial access railroad funds						X
	Total transit vehicle service miles per \$1,000 of operating expense						X
Motor Vehicle Dealer Board	Percentage of customer e-mail assistance requests received by the Customer Assistance Division that are processed within five business days				X		
Department of Health	Average response time for requests for copies of birth records (in work days)	X			X		
	Infant mortality rates among agency patients				X		

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Department of Health, cont.	Percentage of eligible children, ages 2-15, that are vaccinated against chicken pox by the Health Department	X			X		
	Percentage of tuberculosis disease patients completing appropriate therapy within prescribed timeframes	X			X		
	Teen pregnancy rate per thousand in communities served by seven teen pregnancy prevention programs whose locations were selected by the General Assembly				X		
Department for the Blind and Vision Impaired	Average weekly wages earned by vocational rehabilitation customers employed (in dollars)				X		
	Level of customer satisfaction with products of sponsored enterprises, as assessed by surveys				X		
	Number of customers who utilize library and resource center services				X		
	Percentage of elderly customers achieving a majority of their independent living goals				X		
Department of Correctional Education	Adult student educational gains per one month of instruction, as measured by standardized pre- and post-tests (in months)				X		
	Percentage of instructional employees' time allotted to instructional activities				X		
Department of Social Services	Percentage of children in the child support caseload born out-of-wedlock who have had paternity established				X		
	Percentage of current child support obligated amounts collected for the entire child support enforcement caseload				X		
	Percentage of enforceable cases (with paternity established and child support ordered) in the total child support enforcement caseload				X		
	Percentage of food stamp dollars issued in error				X		
	Percentage of VIEW participants who have been involved in work activity (subsidized or unsubsidized employment or community work experience [CWEP]) during the fiscal year				X		
Virginia Parole Board	Average number of days to complete a discretionary parole decision	X			X		
	Average number of days to complete parole violation decisions	X			X		

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Virginia Parole Board, cont.	Average number of parole considerations conducted per month	X			X		
	Percentage of requests for board appointments satisfied	X			X		
Department of Corrections	Annual number of serious incidents in prisons per 1,000 inmates	X			X		
	Average number of hours per week that inmates participate in work, school, or treatment programs	X			X		
	Average number of hours worked per week per work center inmate	X			X		
	Recidivism rate for inmates completing the DOC substance abuse therapeutic programs	X			X		
	Total revenues earned by Department of Corrections' agriculture operations (\$ in millions)	X					
	Turnover/vacancy rate among first year correctional officers	X			X		
	Utilization rate of day reporting centers	X			X	X	
	Utilization rate of detention centers	X			X		
	Utilization rate of diversion centers	X			X		
Utilization rate of work centers	X			X			
Department of Aviation	Area-weighted airfield pavement condition index of the state airport system		X	X	X		
	Percentage of time that department-owned electronic navigational aids are not available for service				X		
	Percentage utilization of available grant dollars				X		
Center for Innovative Technology	Level of customer satisfaction for services provided by CIT or CIT partners (100 percent equals maximum satisfaction)	X			X		
	75 Companies started, retained, attracted to Virginia, or converted (from defense-related to commercial business) as a result of assistance provided by CIT or CIT partners (as reported by CIT customers)	X			X		

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Center for Innovative Technology, cont.	250 companies report current fiscal year impact with a total of at least \$200 million in increased competitiveness (as reported by CIT customers)	X		X	X		
	CIT's research partners and clients report a 12:1 match in federal and private research investment for the current fiscal year	X		X	X		
Virginia Museum of Natural History	Number of customers served by outreach services and products (in thousands of people)	X			X		
	Number of publications per year emanating from the research program	X			X		
	Percentage of specimens organized physically according to standard practice, easily located, and easily used by appropriate researchers	X			X		
	Percentage of total annual revenues derived from nongeneral fund sources	X			X		
Southwest Virginia Higher Education Center	Number of contacts with regional employers to determine education and training needs of workforce	X	X		X		
	Number of organizations who use the center for meetings and/or economic development activities	X	X		X		
	Number of students enrolled in graduate and undergraduate courses leading to degrees identified as desirable by regional employers	X	X		X		
Department of Fire Programs	Dollar value of property damage per \$1 million assessed value	X	X	X	X	X	
	Number of citizen deaths per million population	X	X	X	X		
	Number of injuries per 10,000 firefighters	X	X	X	X		
	Number of persons taking and successfully completing training courses (in thousands)	X	X	X	X		
Department of Employment Dispute Resolution	Number of supervisors and state employees trained annually		X		X		
	Percentage of Circuit Court qualification decisions concurring with agency rulings		X		X		
	Percentage of grievances concluded at hearings which are processed within the regulatory time periods		X		X		
	Percentage of grievances resolved in resolution steps		X		X		

Appendix A, cont.

Agency	Performance Measure	A	B	C	D	E	F
Virginia Liaison Office	Number of successful resolutions of problems related to federal administration, regulations, or grant actions	X	X	X	X	X	
Commission on Local Government	Percentage of agencies' assessments of state and federal mandates on localities completed within one month after approval				X		
	Percentage of agency's reports on interlocal cases issued within six months of filing				X		
	Percentage of fiscal impact statements completed before the first legislative committee meeting when bill referred for analysis is on docket				X		
	Percentage of technical assistance responses rendered within 24 hours				X		
Department of Alcoholic Beverage Control	Net revenue per gallon sold (in dollars)	X			X		
	Rate of return to the Commonwealth	X			X		
	Rate of underage alcohol sales by private sector licensees	X			X		
	Rate of underage alcohol sales in ABC stores	X			X		
	Rate of underage tobacco sales by retailers of tobacco products	X			X		
Department of Juvenile Justice	Percentage of juveniles who were convicted of a new misdemeanor or felony that was committed within one year of release from the juvenile correctional centers.	X			X		
	Percentage of juveniles who were convicted of a new misdemeanor or felony within a year of being placed on probation	X			X		
	Number of youth escapes from juvenile correctional centers				X		
TOTAL NUMBER OF EXCEPTIONS		143	69	26	222	11	6

CODE OF VIRGINIA, Section 30-133 (Auditor of Public Accounts)

§ 30-133. Duties and powers generally.

- A. The Auditor of Public Accounts shall audit all the accounts of every state department, officer, board, commission, institution or other agency handling any state funds. In the performance of such duties and the exercise of such powers he may employ the services of certified public accountants, provided the cost thereof shall not exceed such sums as may be available out of the appropriation provided by law for the conduct of his office.
- B. The Auditor of Public Accounts shall review the information required in § [2.2-1501](#) to determine that state agencies are providing and reporting appropriate information on financial and performance measures, and the Auditor shall review the accuracy of the management systems used to accumulate and report the results. The Auditor shall report annually to the General Assembly the results of such audits and make recommendations, if indicated, for new or revised accountability or performance measures to be implemented for the agencies audited.**
- C. As part of his normal oversight responsibilities, the Auditor of Public Accounts shall incorporate into his audit procedures and processes a review process to ensure that the Commonwealth's payments for qualifying vehicles, as defined in § 58.1-3523, are consistent with the provisions of §§ [58.1-3525](#) and [58.1-3526](#). The Auditor of Public Accounts shall report to the Governor and the Chairman of the Senate Finance Committee annually any material failure by a locality or the Commonwealth to comply with the provisions of Chapter 35.1 (§ [58.1-3523](#) et seq.) of Title 58.1.
- D. The Auditor of Public Accounts when called upon by the Governor shall examine the accounts of any institution maintained in whole or in part by the Commonwealth and, upon the direction of the Comptroller, shall examine the accounts of any officer required to settle his accounts with him; and upon the direction of any other state officer at the seat of government he shall examine the accounts of any person required to settle his accounts with such officer.
- E. Upon the written request of any member of the General Assembly, the Auditor of Public Accounts shall furnish the requested information and provide technical assistance upon any matter requested by such member.
- F. In compliance with the provisions of the federal Single Audit Act Amendments of 1996, Public Law 104-156, the Joint Legislative Audit and Review Commission may authorize the Auditor of Public Accounts to audit biennially the accounts pertaining to federal funds received by state departments, officers, boards, commissions, institutions or other agencies.

CODE OF VIRGINIA, Section 2.2-1501 (Department of Planning and Budget)

§ 2.2-1501. Duties of Department.

The Department shall have the following duties:

1. Development and direction of an integrated policy analysis, planning, and budgeting process within state government.
2. Review and approval of all sub-state district systems boundaries established or proposed for establishment by state agencies.
3. Formulation of an executive budget as required in this chapter. In implementing this provision, the Department shall utilize the resources and determine the manner of participation of any executive agency as the Governor may determine necessary to support an efficient and effective budget process notwithstanding any contrary provision of law. The budget shall include reports, or summaries thereof, provided by agencies of the Commonwealth pursuant to subsection E of § 2.2-603.
4. Conduct of policy analysis and program evaluation for the Governor.
5. Continuous review of the activities of state government focusing on budget requirements in the context of the goals and objectives determined by the Governor and the General Assembly and monitoring the progress of agencies in achieving goals and objectives.
6. Operation of a system of budgetary execution to ensure that agency activities are conducted within fund limitations provided in the appropriation act and in accordance with gubernatorial and legislative intent. The Department shall make an appropriate reduction in the appropriation and maximum employment level of any state agency or institution in the executive branch of government that reports involuntary separations from employment with the Commonwealth due to budget reductions, agency reorganizations, or workforce down-sizings, or voluntary separations from employment with the Commonwealth as provided in the second and third enactments of the act of the General Assembly creating the Workforce Transition Act of 1995 (§ 2.2-3200.). In the event an agency reduces its workforce through privatization of certain functions, the funds associated with such functions shall remain with the agency to the extent of the savings resulting from the privatization of such functions.
7. Development and operation of a system of standardized reports of program and financial performance for management.
8. Coordination of statistical data by reviewing, analyzing, monitoring, and evaluating statistical data developed and used by state agencies and by receiving statistical data from outside sources, such as research institutes and the federal government.
9. Assessment of the impact of federal funds on state government by reviewing, analyzing, monitoring, and evaluating the federal budget, as well as solicitations, applications, and awards for federal financial aid programs on behalf of state agencies.

Appendix C, cont.

10. Review and verify the accuracy of agency estimates of receipts from donations, gifts or other nongeneral fund revenue.
11. **Development, coordination and implementation of a performance management system involving strategic planning, performance measurement, evaluation, and performance budgeting within state government. The Department shall ensure that information generated from these processes is useful for managing and improving the efficiency and effectiveness of state government operations, and is available to citizens and public officials. The Department shall submit annually on or before the second Tuesday in January to the Chairman of the House Appropriations Committee and the Chairman of the Senate Finance Committee a report that sets forth state agencies' strategic planning information and performance measurement results pursuant to this subdivision for the immediately preceding fiscal year.**
12. **Development, implementation and management of an Internet-based information technology system to ensure that citizens have access to performance information.**
13. Development, implementation and management of an Internet-based information technology system to ensure that citizens have access to meeting minutes and information pertaining to the development of regulatory policies.