



FY14 Budgeting for Results (BFR)

CHIEF RESULTS OFFICER BRIEFING

**BUDGETING FOR RESULTS
CHIEF RESULTS OFFICERS
12/14/2012
AGENDA**

- I. Welcome and Introductions (Jerry Stermer, Acting Director, GOMB) – 5 min
- II. BFR in Illinois (State Senator Dan Kotowski) – 5 min
- III. Measuring Social Impact (Jason Saul, Mission Measurement) – 10 min
- IV. FY14 Result Areas and Outcomes (Cristal Thomas, Deputy Governor) – 5 min
- V. BFR Next Steps (Greg Wass, GOMB) – 10 min
- VI. Q&A



Jerry Stermer, Acting Director, GOMB

WELCOME AND INTRODUCTIONS



State Senator Dan Kotowski, Chair, Budgeting for Results Commission

BFR IN ILLINOIS



Dan Kotowski has dedicated his entire adult life to public service. He sees serving in the Illinois Senate as an opportunity to improve public safety, enhance government accountability, and better the lives of the people of the 33rd District and the state of Illinois. Kotowski is now in his second term in the Senate.

In addition to his efforts to help those who are in need and to increase the safety of Illinois families, Senator Kotowski has worked tirelessly to improve the quality of Illinois government. He successfully passed legislation to protect taxpayers through the transparent online posting of government contracts.

Knowing the difficult burden the property tax places on residents of the 33rd District, Kotowski has backed a number of property tax relief and tax reform measures.

A lifelong resident of Illinois, Senator Kotowski graduated from the University of Illinois Urbana-Champaign with a degree in English and Communications, and obtained his Master's Degree from DePaul University.

PUBLIC ACT 96-958 (EXCERPTS)

- “Beginning with budgets prepared for fiscal year 2013, the budgets submitted by the Governor and appropriations made by the General Assembly for all executive branch State agencies must adhere to a method of budgeting where **each priority must be justified each year according to merit rather than according to the amount appropriated for the preceding year.**”
- By November 1 of each year, “the (**Budgeting for Results**) **Commission** shall submit a report to the Governor and the General Assembly setting forth **recommendations** with respect to the Governor’s proposed outcomes and goals.”
- “For fiscal year 2012 and each fiscal year thereafter, prior to the submission of the State budget, the Governor, in consultation with the appropriation committees of the General Assembly, shall: (i) **prioritize outcomes** that are most important for each State agency of the executive branch under the jurisdiction of the Governor to achieve for the next fiscal year and (ii) **set goals** to accomplish those outcomes according to the priority of the outcome.”



Jason Saul, CEO, Mission Measurement; Member, BFR Commission

MEASURING SOCIAL IMPACT



Jason Saul is one of the nation's leading experts on measuring social impact. He is the founder and CEO of Mission Measurement, a strategy consulting firm that helps corporations, nonprofits and public sector clients create value through social change.

He has advised some of the world's largest corporations, government agencies and nonprofits, including: Walmart, Starbucks, McDonald's, Kraft, Levi Straus & Co., Easter Seals, American Red Cross, the Smithsonian and USAID. Prior to founding Mission Measurement, Jason practiced as a public finance attorney at Mayer Brown LLP in Chicago.

Jason serves on the faculty of the Kellogg School of Management at Northwestern University, where he teaches corporate social responsibility and nonprofit management.

Jason holds a J.D. from the University of Virginia School of Law, an M.P.P. from the John F. Kennedy School of Government at Harvard University, and a B.A. in Government and French Literature from Cornell University.



Cristal Thomas, Deputy Governor

FY14 RESULT AREAS AND OUTCOMES

Result Area	Outcome	Definition
1. Education	A. Improve School Readiness and Success	Increase percentage of children successfully completing P-20 education with skills and knowledge needed for postsecondary and workforce success.
2. Economic Development	B. Increase Employment	Close the opportunity gap in Illinois by ensuring the labor force has the skills necessary to meet the needs of employers and maximize earning potential.
	C. Attract, Retain and Grow Businesses	Increase business investment and entrepreneurship in Illinois.
3. Public Safety	D. Create Safer Communities	Reduce incidents of death, violence, injury, exploitation and fraud.
	E. Improve Infrastructure Safety	Improve the condition of infrastructure to protect citizens and support commerce.

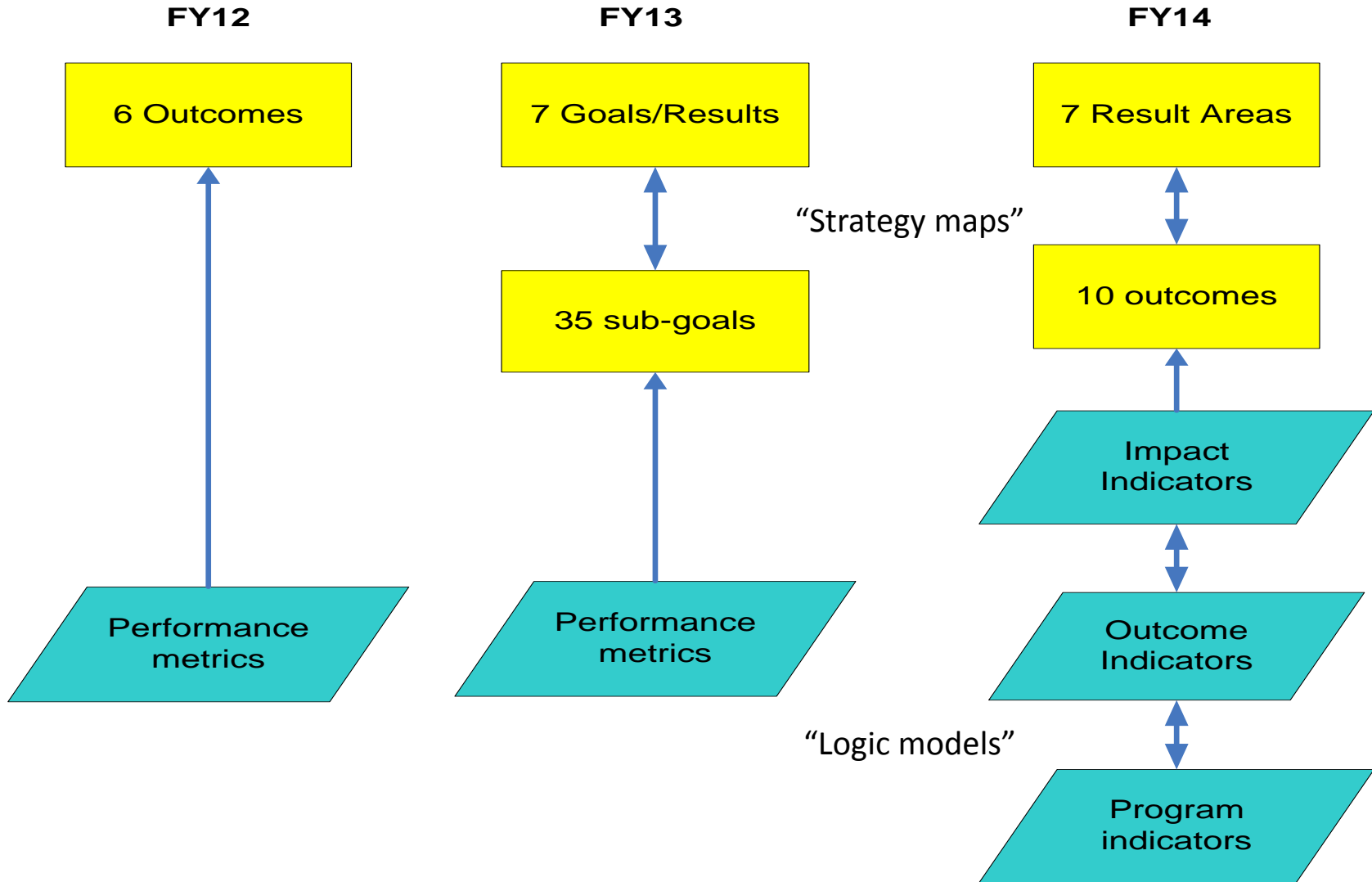
Result Area	Outcome	Definition
4. Human Services	F. Meet the Needs of the Most Vulnerable	Improve cost effectiveness and quality of human services provided to people in need.
	G. Increase Family Stability and Self-Sufficiency	Reduce demand on the human service system by providing services to help individuals and families better support themselves.
5. Healthcare	H. Improve Overall Health of Illinoisans	Lower health care costs by improving the health of Illinoisans.
6. Quality of Natural, Cultural, and Environmental Resources	I. Strengthen Cultural & Environmental Vitality	Strengthen and preserve our natural, historic, and cultural resources to make Illinois a more attractive place for people to visit, live and work.
7. Government Services	J. Support Basic Functions of Government	Improve the basic infrastructure of state government and provide the tools necessary to operate more efficiently and achieve statewide outcomes.



Greg Wass, Senior Advisor, GOMB

BFR NEXT STEPS

WHERE WE'VE BEEN → WHERE WE'RE GOING

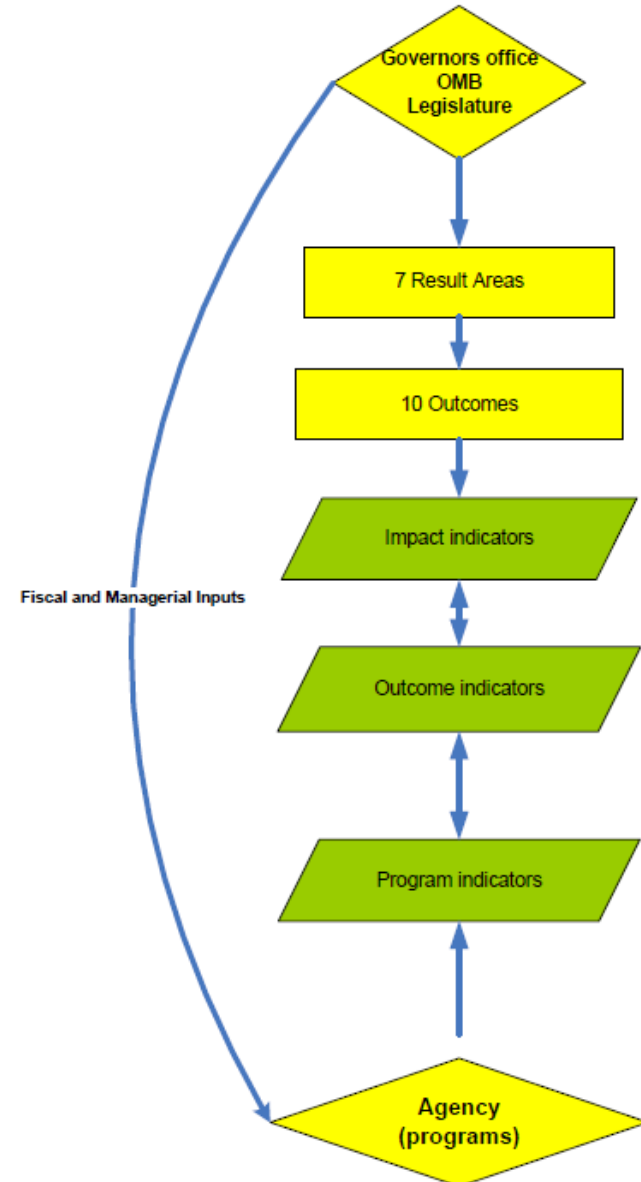


ROLE OF THE CHIEF RESULTS OFFICER

- Responsible for **agency involvement** in Budgeting for Results
- Part of the statewide Budgeting for Results **team** and statewide outcome **groups**
- **Change agent** and leader within Agency to drive performance measurement and management improvement
- Align **agency management needs** with statewide management needs (don't reinvent...)

HOW IT WORKS

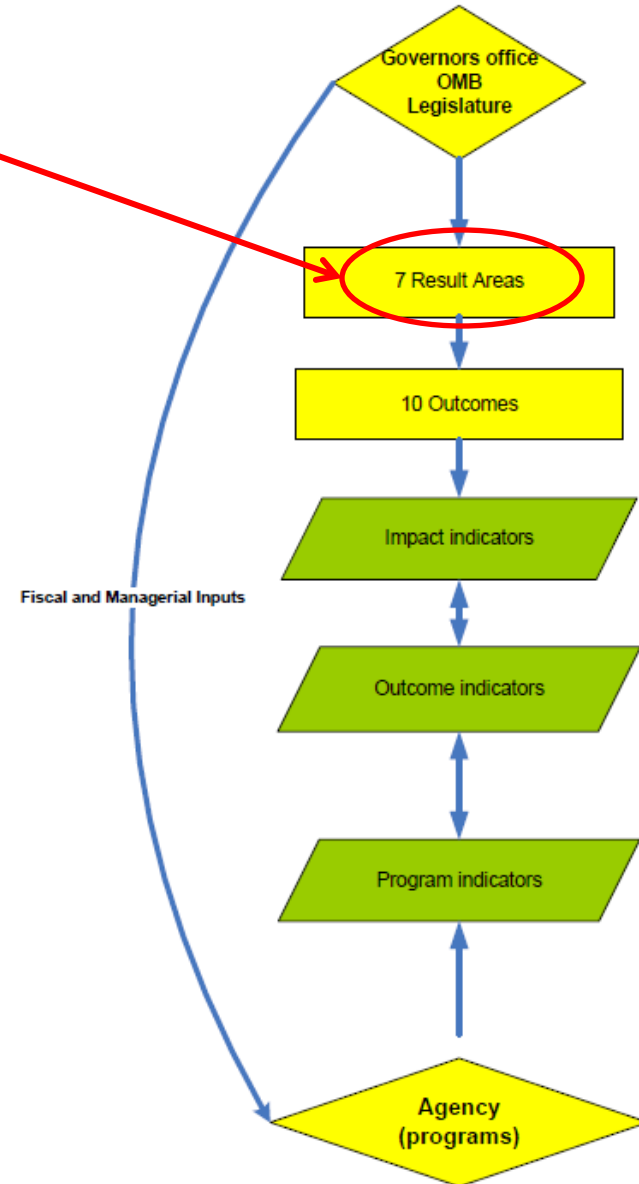
- Result Areas
- Outcomes
- Impact level indicators
- Outcome level indicators
- Program level indicators



RESULT AREAS

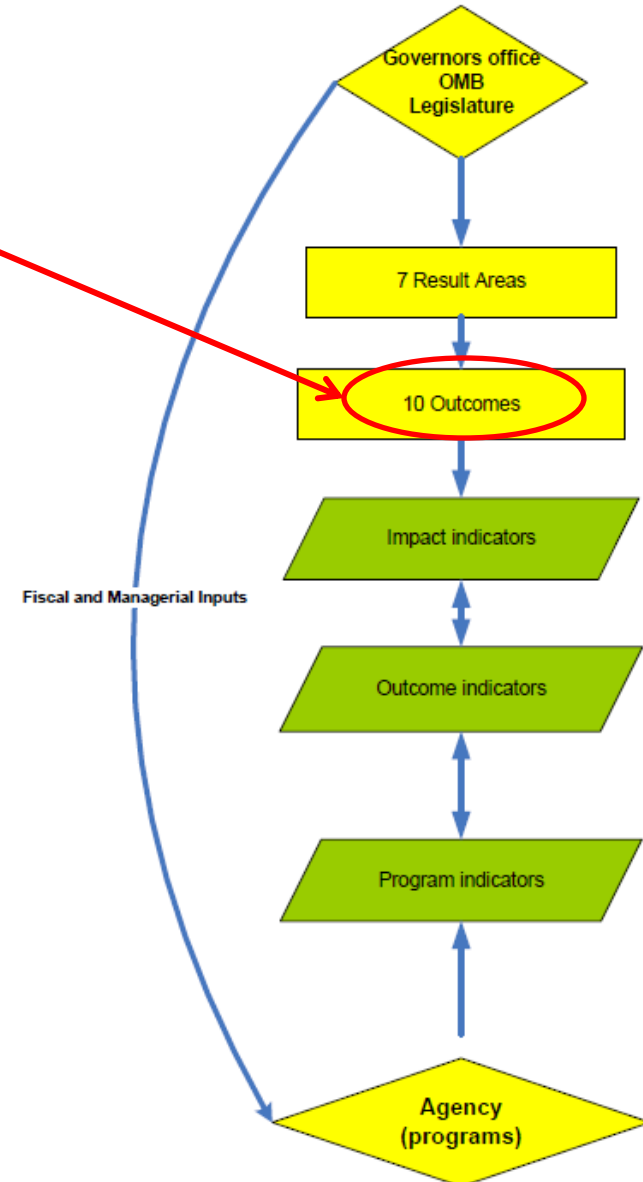
- Major areas of state government:

1. Education
2. Economic Development
3. Public Safety
4. Human Services
5. Healthcare
6. Quality of Natural, Cultural, and Environmental Resources
7. Government Services



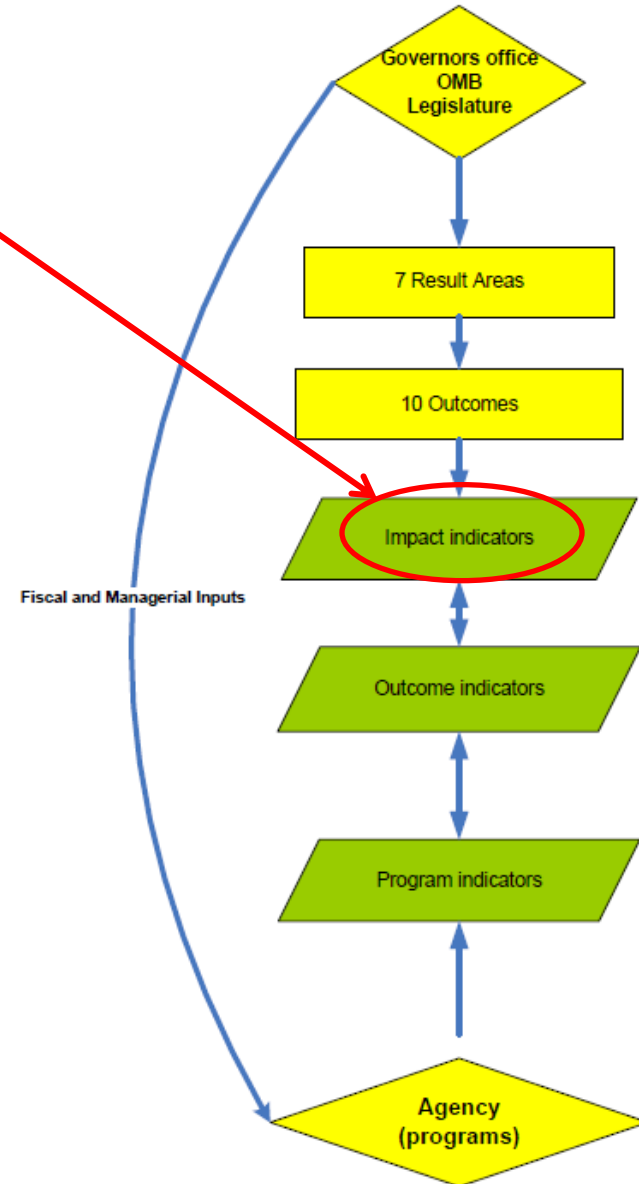
OUTCOMES

- A. Improve School Readiness and Success
- B. Increase Employment
- C. Attract, Retain and Grow Business
- D. Create Safer Communities
- E. Improve Infrastructure Safety
- F. Meet the Needs of the Most Vulnerable
- G. Increase Family Stability and Self-Sufficiency
- H. Improve Overall Health of Illinoisans
- I. Strengthen Cultural and Environmental Vitality
- J. Support Basic Functions of Government



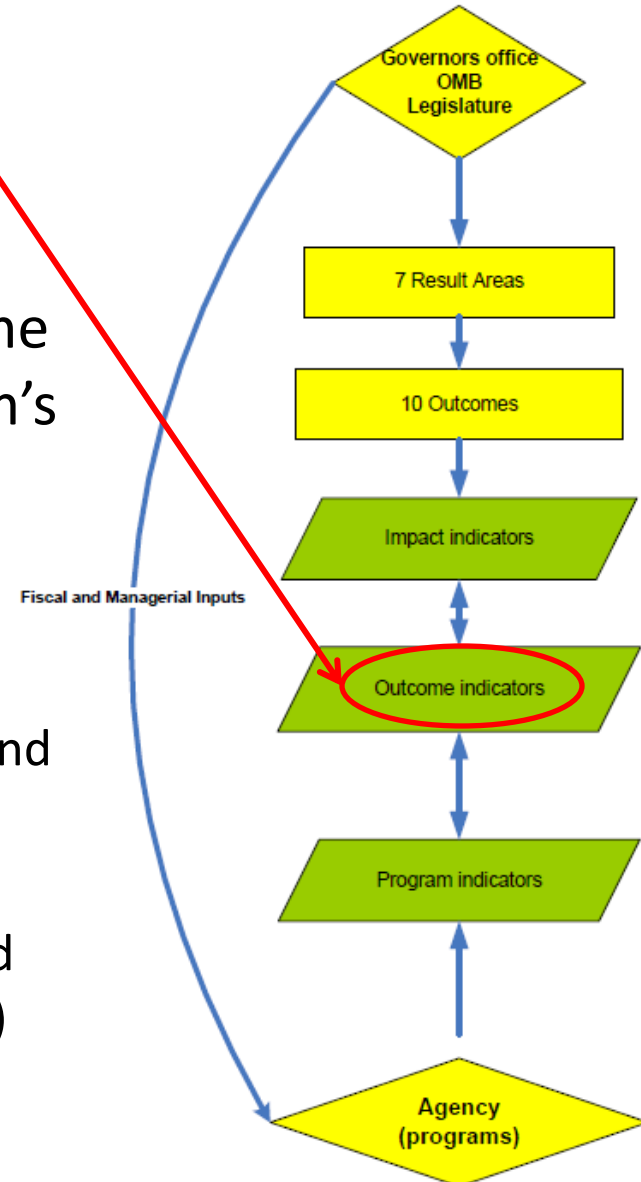
IMPACT INDICATORS

- Generally-accepted long term measures that reflect overall conditions in the state
- Examples:
 - Unemployment Rate
 - Graduation Rate
 - Rate of Preventable Deaths
 - Statewide Literacy Rate



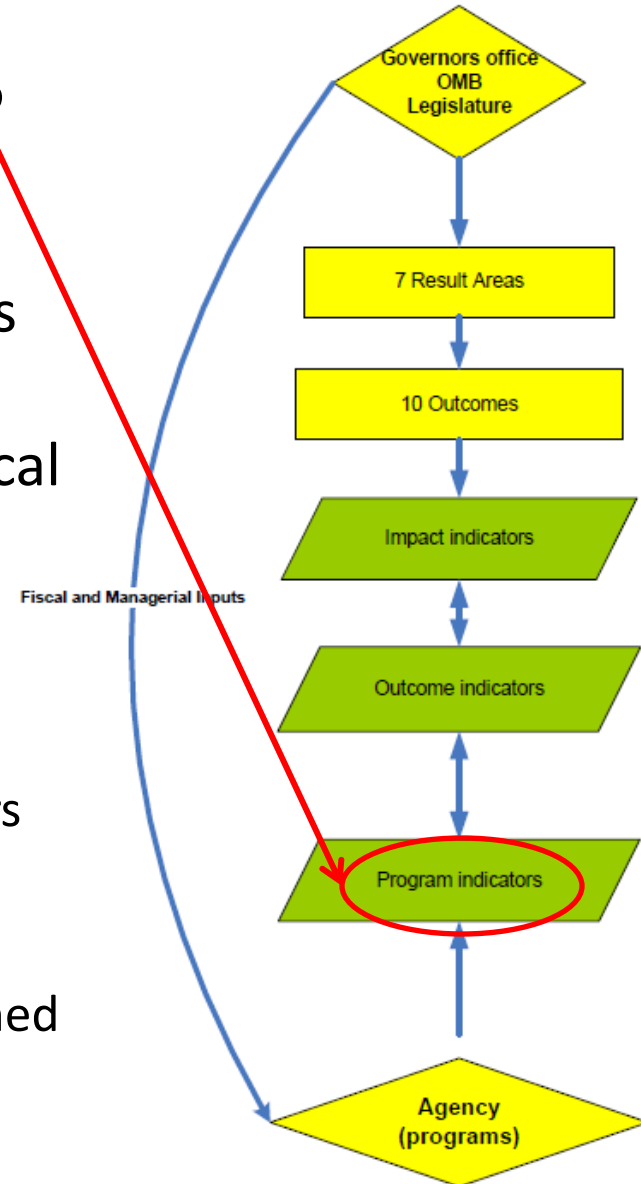
OUTCOME INDICATORS

- Measures of a statewide outcome that are influenced by a program's activities
- Examples:
 - Illinois drivers chose not to drink and drive as often
 - DNR—Amount of People Visiting State Parks (Program activities lead to increased visitors to state parks)



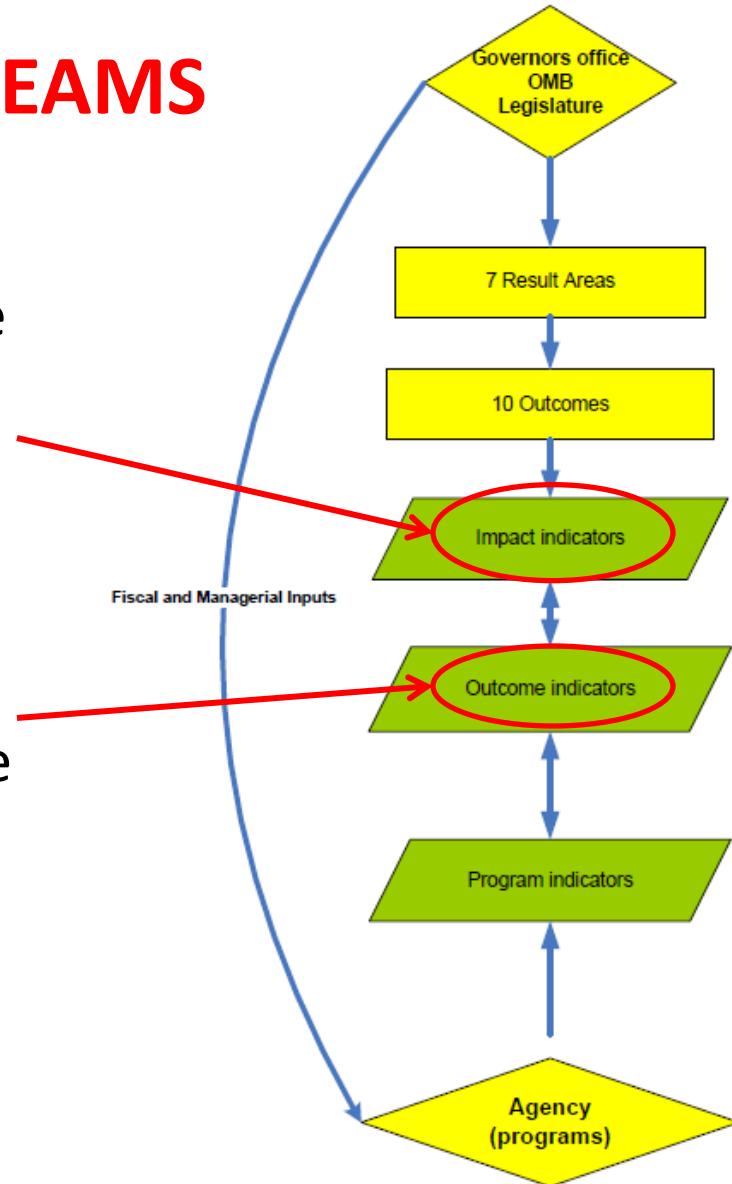
PROGRAM INDICATORS

- Measures of a program activities and outputs; they can be measured at any point in the fiscal year
- Examples:
 - Estimated number of Illinois drivers that learn the dangers of drinking and driving
 - Estimated number of people reached by DNR state park advertising



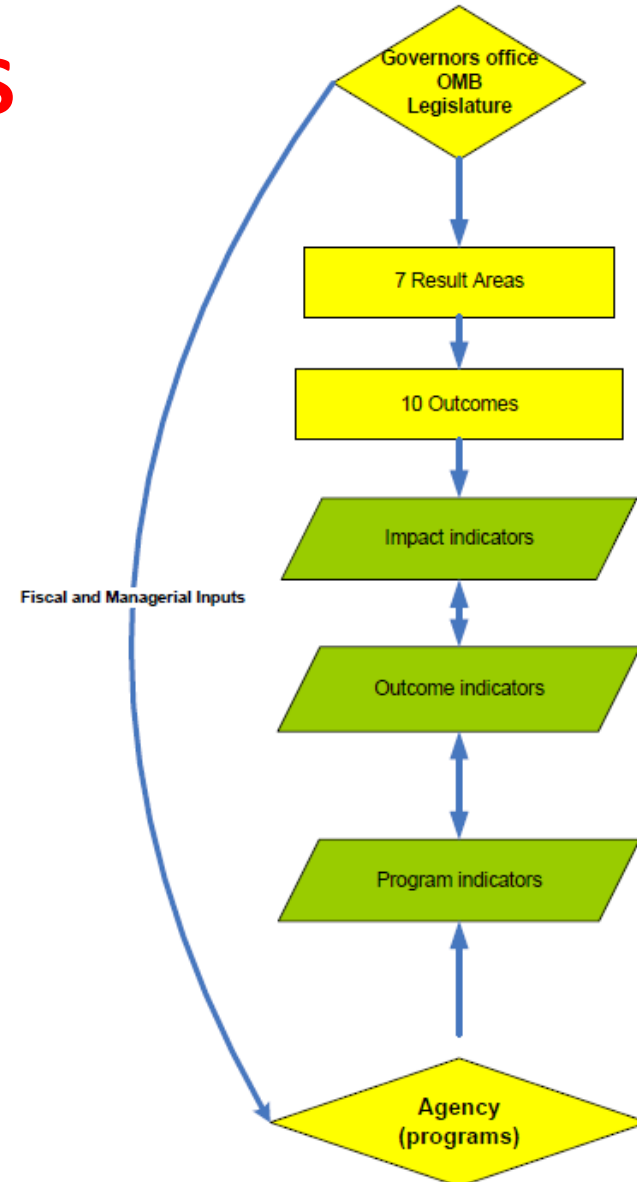
NEXT STEPS FOR CRO TEAMS

1. Confirm/select statewide **impact indicators** (these are the overall impacts we are measuring that state government contributes to)
2. Identify **outcome indicators** for each of the 10 statewide outcomes (these are the actual measures of our effectiveness as a state government)



TIMEFRAMES/RESOURCES

- Timeframes
 - CRO outcome groups meet
 - Impact indicators (1/31/13)
 - Match programs to outcomes
 - Outcome indicators (2/28/13)
 - Program indicators (3/31/13)
- Resources
 1. Strategy Maps
 2. Program Logic Models
 3. BFR Implementation Team
 4. Budget Analysts





FY14 Budgeting For Results

Q&A