

INTRODUCTION

The format for agencies' annual accountability reports is governed by aspects of both permanent and temporary law. The relatively brief passages identify two key purposes of these reports; they must provide the Governor and General Assembly with information that supports their analysis of the budget and ensure that the Agency Head Salary Commission has a basis for its decisions.

In terms of required content, the law's demands are limited:

- The reports "must contain the agency's or department's mission, objectives to accomplish the mission, and performance measures that show the degree to which objectives are being met." (§1-1-820 of SC Code of Laws)
- Agencies must "identify key program area descriptions and expenditures and link these to key financial and performance results measures." (Proviso 117.29 FY 2015-16)

FRAMEWORK CHANGES

Annual accountability reports serve as a major tool to institute a statewide performance management system with an objective to ensure continuous improvement in government operations, programs and services. This is an evolutionary process and requires gradual changes in the reporting format as the state moves forward in accomplishing its Accountability and Transparency Initiative.

Although the key technical elements of the annual accountability report remain largely similar to the previous year's format, there are two significant strategic changes in the framework and intent of the report. These changes are explained below.

I. STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES:

South Carolina government has a number of goals, priorities and key initiatives that transcend agency and other organizational boundaries. These enterprise-level strategic objectives provide important input into agency planning processes, serve as a baseline for assessing progress on key issues and require cooperative effort in order to affect performance in a meaningful way. The new changes in the annual accountability report framework intend to highlight South Carolina's highest statewide strategic objectives. Now agencies are required to link to these Enterprise Strategic Objectives in their own strategic planning and identify **at least two agency-level** future-looking goals that create a stronger link between the high-level objectives and agency objectives. Agencies may identify any additional agency-

level goals that may not be directly associated with the Statewide Enterprise Strategic Objectives, but are important enough to accomplish the agency's vision and mission. The technical features of the strategic planning template and how to form **S.M.A.R.T [Specific, Measurable, Attainable, Relevant and Time-bound]** goals and objectives are explained further in this document and attached informational material.

The Figure 1 lists Statewide Enterprise Strategic Objectives for the State of South Carolina.

FIGURE 1. STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES



II. INTEGRATION OF ANNUAL ACCOUNTABILITY AND RESTRUCTURING REPORTS:

Agencies allocate significant resources to fulfilling annual reporting requirements. Therefore, the House Legislative Oversight Committee and the South Carolina Department of Administration (Admin) have formed a partnership to integrate and refine various sections of the annual accountability report to incorporate requirements of the annual restructuring report. The purpose of this integration is to minimize agencies creating and reporting information in duplicate and to maximize the usefulness of the annual reports to the public and policymakers. The new components of the integrated reporting are explained further in this document.

SUBMISSION PROCESS

All forms should be submitted electronically **by September 15, 2016** to Lauren Henry (Lauren.Benjamin@admin.sc.gov) in both the original format (Word or Excel) and saved as a PDF for online reporting. The signed copy of the Submission Form should be mailed to: Lauren Henry, Executive Budget Office, Edgar A. Brown Building, Suite 529, Columbia, SC 29201. Please direct any questions about this process to **Abhijit “Abhi” Deshpande** (Abhijit.Deshpande@admin.sc.gov ; (803)737-0699) or your agency’s EBO analyst.

COMPLETING THE SUBMISSION FORM AND THE AGENCY’S DISCUSSION AND ANALYSIS SECTION

The Submission Form is a Word document; the remaining elements of the accountability report will be completed in Excel. Double-click on the document’s header to enter your agency’s name, code and section number. In the main body of the form, please provide your agency’s mission statement and contact information. An agency with a governing board or commission should have its submission signed by both the Agency Head and the Board/Commission Chair.

The “Agency’s Discussion and Analysis” section provides agency leadership with an opportunity to comment on internal and external factors affecting the agency’s performance in the past year, the agency’s current efforts and the associated results (referencing information presented elsewhere in the accountability report), and any plans now under development to introduce additional changes. An organization chart showing the structure and **the first three levels of chain of command** of your agency must be included in this section. The organization chart must include **title of the position** and the **name of employee** who holds that particular position.

The “Agency’s Discussion and Analysis” section requires agency to identify and explain the following **two subsections**.

- I. Risk Assessment and Mitigation Strategies:** In this subsection, the agency is required to identify the potential most negative impact on the public as a result of the agency’s failure in accomplishing its goals and objectives. The agency also should explain the nature and level of outside help it may need to mitigate such negative impact on the public. Lastly, the agency should list three options for what the General Assembly could do to help resolve the issue before it became a crisis.
- II. Restructuring Recommendations:** In this subsection, if the agency responded yes to the Restructuring Recommendations box on the Submission Form, list the recommendation(s) for internal or law changes and address the need or reason for the proposed restructuring, provide any data to support the agency’s reasoning and outline a plan to implement the restructuring recommendation(s).

The “Agency’s Discussion and Analysis” section, including two subsections **should NOT exceed 8 pages, or no more than 10 pages when including any charts or graphs.**

COMPLETING THE STRATEGIC PLANNING TEMPLATE

The Strategic Planning Template is an Excel spreadsheet. Begin by entering your agency's name, code and section number into the shaded fields at the top of the form. The rest of the templates are programmed to automatically display this information at the beginning of each template. Each row of this spreadsheet will format itself based upon the value selected under the "Type" heading in Column A. As shown in Figure 2, use the drop-down arrow to select "G" for a goal, "S" for a strategy, or "O" for an objective.

FIGURE 2. GOAL, STRATEGY OR OBJECTIVE DROP-DOWN ARROW

5	Type	<u>Item #</u>		
6		Goal	Strat	Object
7				
8	G			
9	S			
10	O			
11				

Items should be numbered in the "1.1.1" format as shown in Figure 3. The second objective under the third strategy that supports an agency's first goal would be identified as "1.3.2". Please number each item in the appropriate column, as demonstrated in Figure 3.

FIGURE 3. NUMBERING GOALS, STRATEGIES AND OBJECTIVES

5	Type	<u>Item #</u>		
6		Goal	Strat	Object
7	G	1		Provide custody
8	S	1.1		Create a safe
9	O		1.1.1	Conduct

Agencies are required to identify at least **two agency-level goals** that are directly associated with one of Statewide Enterprise Strategic Objectives. As shown in Figure 4, use the drop-down arrow under the "Associated Enterprise Objective" heading in Column E to select associated enterprise objective for "E" row of the spreadsheet.

FIGURE 4. ASSOCIATED ENTERPRISE OBJECTIVE DROP-DOWN

Type	Goal	<u>Item #</u> Strat	Object	Associated Enterprise Objective
G	1			Healthy and Safe Families
S		1.1		
O			1.1.1	
O			1.1.2	
S		1.2		
O			1.2.1	
G	2			Government and Citizens
S		2.1		
O			2.1.1	

Figure 5 provides an example of an agency's Strategic Planning Template after the first several entries have been made.

FIGURE 5. SAMPLE STRATEGIC PLANNING TEMPLATE

Agency Name:		Department of Health and Human Services				Fiscal Year 2016-17	
Agency Code:		J020		Section:	033		Accountability Report
Strategic Planning Template							
Type	Goal	Item # Strat	Object	Associated Enterprise Objective	Description		
G	1			Healthy and Safe Families	Provide better health outcomes for Medicaid beneficiaries		
S		1.1			Expand the use of value-based payment methodologies		
O			1.1.1		Provide at least 12% of managed care payments using a value-based approach		
O			1.1.2		Increase the percentage of HEDIS withhold metrics at or above the 50th percentile by 2% annually		
S		1.2			Build upon the success of the Birth Outcomes Initiative		
O			1.2.1		Reduce the number of low birth weight babies by 3%		
G	2			Government and Citizens	Provide outstanding member services		
S		2.1			Use new technologies to improve the member service experience		
O			2.1.1		Increase the number of online applications by 10%		

**** Please delete any unused rows up to Row 300 before submitting the template. ****

COMPLETING THE PERFORMANCE MEASUREMENT TEMPLATE

The Performance Measurement Template is an Excel spreadsheet. Items should be numbered in sequence, although the order in which they are presented is not important – they do not need to be organized by goal or objective, for instance. The “Performance Measure” field in Column B is essentially the title of the measure.

The next five columns (C-F) are all related. Each value for a measure should be reported in a way it can be meaningfully compared to the other years' values. For instance, if an agency captures information for a particular measure on a quarterly basis and uses the March 31, 2016 record as the “Actual Value” because the June 30, 2016 information is not yet available, then the “Target Value” “Future Target Value” data should be as of March 31, 2016 and 2017, respectively.

Target Value: The aspirational value to be achieved as of June 30, 2016 or another reference date in FY 2015- 16.

Actual Value: The actual current value (compared to aspirational value) as of June 30, 2016 or another reference date in FY 2015-16.

Future Target Value: The aspirational value to be achieved as of June 30, 2017 or another reference date in FY 2016-17.

Time Applicable: This field should identify the date or time period for which the three reported values apply. For instance, it might state “June 30” if a snapshot value is taken on the final day of each year or “July 1 – June 30” if the values encompass the entire fiscal year.

Figures 6 and 7 provide an illustration of how an agency might report on several performance measures.

FIGURE 6. SAMPLE PERFORMANCE MEASUREMENT TEMPLATE - VALUES

Agency Name:		Department of Health and Human Service			
Agency Code:		J02	Section:	033	
Item	Performance Measure	Target Value	Actual Value	Future Target Value	Time Applicable
1	Maintain General Fund Expenditures within 3% of forecast	2.31%	2.68%	2.25%	7/1/2015-6/30/2016
2	Increase the number of online applications by 10%	61,014	62,264	68,490	7/1/2015-6/30/2016
3	Improve employee engagement scores by 5%	39.90%	42.69%	44.83%	7/1/2015-6/30/2016

In the “Data Source and Availability” field as shown in Figure 7, agencies should explain how and from where the information is gathered for a particular measure, along with how often that information is updated. For example, the State Museum’s point-of-sale systems may produce daily reports which are reviewed weekly or monthly by agency staff; this would be noted under “Data Source and Availability.”

In some cases, agencies — or their sources — must perform one or more calculations in order to convert raw data into a performance measure value that will appear in this report. This process should be noted in the “Calculation Method” field. For instance, the Department of Health and Human Services’ most recent accountability report contained a performance measure on “Percent of processing electronic claims submissions within 14 days,” along with an explanation of how this value was calculated [# of suspended electronic claims in iFlow over 30 days / total monthly submission of electronic claims]. The formula used to develop this statistic would be presented in Column H. Finally, a performance measure may be associated with one or more of an agency’s objectives; any objective with a significant nexus should be identified in Column I.

FIGURE 7. SAMPLE PERFORMANCE MEASUREMENT TEMPLATE – METADATA

Agency Name:		Department of Health and Human Service				Fiscal Year 2015-16 Accountability Report		
Agency Code:		J02	Section:	033		Performance Measurement Template		
Item	Performance Measure	Target Value	Actual Value	Future Target Value	Time Applicable	Data Source and Availability	Calculation Method	Associated Objective(s)
1	Maintain General Fund Expenditures within 3% of forecast	2.31%	2.68%	2.25%	7/1/2015-6/30/2016	Business Objects - Monthly	((Appropriation - Actuals)/forecast)*100	3.1.1, 2.2.3
2	Increase the number of online applications by 10%	61,014	62,264	68,490	7/1/2015-6/30/2016	Electronic Document Management System - Annually	Total Online Apps Submitted	2.1.1, 3.2.2, 1.1.3
3	Improve employee engagement scores by 5%	39.90%	42.69%	44.83%	7/1/2015-6/30/2016	Third party engagement survey administered in fall - Annually	Calculated as part of third party engagement survey that generates an "Overall Engagement Score"	4.2.1, 2.2.1

**** Please delete any unused rows up to Row 300 before submitting the template. ****

COMPLETING THE PROGRAM TEMPLATE

The Program Template shown in Figure 8 is an Excel spreadsheet. Agencies should identify each program in Column A, based upon how they were identified in the FY 2015-16 Appropriations Act. A standalone roman numeral would be considered a discrete program if not further divided into lettered items, as “I. General Administration” appears in Figure 8 below. Programs that have been separated into lettered items should be reported at that level, such as “II.A. Community Mental Health.” Reporting should not be more granular than this. For instance, a program III.B. that appears in the budget with sub-items III.B.1., III.B.2., and so on should be reported on a consolidated basis in the Program Template at the III.B. level. If necessary, add an “All Other Items” as the final program to capture any additional expenditures not included above, such as certain special items.

Provide a brief summary of each program’s purpose in Column B, followed by each program’s **FY 2015-16 (Actual) and FY 2016-17 (Projected)** expenditures in the following columns. The totals in Columns F and J will be automatically calculated by the template. Finally, the relevant objectives for each program should be identified in Column K.

****Please delete any unused rows up to Row 100 before submitting the template.****

FIGURE 8. SAMPLE PROGRAM TEMPLATE

Agency Name:		Department of Mental Health				Fiscal Year 2015-16 Accountability Report						
Agency Code:		J12	Section:		035	Program Template						
Program/Title		Purpose		FY 2015-16 Expenditures (Actual)				FY 2016-17 Expenditures (Projected)				Associated Objective(s)
		General	Other	Federal	TOTAL	General	Other	Federal	TOTAL			
I. General Administration	Primarily provides for long-range planning, performance and clinical standards, evaluation and quality assurance, personnel management, communications, information resource management, legal counsel, financial, and procurement.	\$ 2,747,595	\$ 434,491	\$ -	\$ 3,182,086	\$ 3,186,788	\$ 201,688	\$ -	\$ 3,388,476	1.3.1, 2.3.1, 2.3.2, 3.1.1		
II.A. Community Mental Health Centers	Services delivered from the seventeen mental health centers that include: evaluation, assessment, and intake of consumers; short-term outpatient treatment; and continuing support services.	\$ 52,048,239	\$ 60,770,164	\$ 7,692,223	\$ 120,510,627	\$ 57,735,669	\$ 61,147,895	\$ 8,343,551	\$ 127,227,116	1.1.1, 1.1.2, 1.1.3, 1.3.1, 1.3.2, 1.3.3, 1.3.4, 2.2.1, 3.2.1, 3.2.2, 3.3.3		
II.B. Inpatient Psychiatric	Services delivered in a hospital setting for adult and child consumers whose conditions are severe enough that they are not able to be treated in the community.	\$ 37,249,943	\$ 45,367,853	\$ 59,987	\$ 82,677,783	\$ 41,010,537	\$ 47,782,645	\$ -	\$ 88,793,182	1.1.1, 1.2.2, 2.1.1, 2.3.1, 2.3.2		
II.C. Tucker/Dowdy	Residential care for individuals with mental illness whose medical conditions are persistently fragile enough to require long-term nursing care.	\$ 3,713,258	\$ 11,675,585	\$ -	\$ 15,388,843	\$ 4,526,621	\$ 12,285,375	\$ -	\$ 16,811,996	All Goal 3 objectives		

COMPLETING THE LEGAL STANDARDS TEMPLATE

The Legal Standards Template is an Excel spreadsheet. Agencies are required to list all state and federal statutes, regulations and provisos that apply to the agency (“Laws”), and a summary of the statutory requirement and/or authority granted in the particular Law listed (Column E thru H). Figure 9 provides an illustration of how an agency might report on the Legal Standards Template. Use the drop-down arrows under the “Jurisdiction” heading in Column C and “Type of Law” heading in Column D to select

appropriate answers. Agencies should identify programs associated with Laws in Column I, based upon how they were identified in the FY 2015-16 appropriations act.

FIGURE 9. SAMPLE LEGAL STANDARDS TEMPLATE

Agency Name:		Department of Juvenile Justice		Fiscal Year 2015-16 Accountability Report	
Agency Code:		N120	Section:	067	
Legal Standards Template					
Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted	Associated Program(s)
1	63-19-320	State	Statute	Establishes DJJ as a member of the Governor's Cabinet - Director appointed by the Governor and serves at the will and pleasure of the Governor	Administration Division
2	63-19-330(A)	State	Statute	Establishes authority of the Director to set policy and empowers the Director to employ persons necessary to perform all responsibilities of the department	Administration Division, Parole Division, Community Services,
3	63-19-1840	State	Statute	Establishes DJJ's authority to provide parole supervision services.	Parole Division, Community Services

COMPLETING THE CUSTOMER TEMPLATE

The Customer Template is an Excel spreadsheet. Agencies are required to list its customer segments by agency divisions or major programs. The customer segments are pre-defined in categories, including Executive Branch or State Agencies, Legislative Branch, Judicial Branch, Local Governments, School Districts, General Public, Industry and Professional Organization. Figure 10 provides an illustration of how an agency might complete the Customer Template. Use the drop-down arrows under “Customer Segments” headings in Column E to select appropriate response(s). If a division or program serves multiple sets of customers, please use separate rows to indicate each segment individually. If agencies serve the General public, industry, and/or professional organization, please specify details of these customers in Column F (Name, Demographics—Age, Gender, Income levels, Education levels, etc.).

FIGURE 10. SAMPLE CUSTOMER TEMPLATE

Agency Name:		Department of Administration		Fiscal Year 2015-16 Accountability Report	
Agency Code:		D50	Section:	93	
Customer Template					
Divisions or Major Programs	Description	Service/Product Provided to Customers	Customer Segments	Specify only for the following Segments: (1) Industry: Name; (2) Professional Organization: Name; (3) Public: Demographics.	
Executive Budget Office	This division is responsible for the development of the Governor's budget and oversight of the annual state budget for South Carolina.	Assisting the development of the Governor's Budget; Oversight of the annual state budget for all State agencies	Executive Branch/State Agencies		
Executive Budget Office	This division is responsible for the development of the Governor's budget and oversight of the annual state budget for South Carolina.	Completing state budget surveys	Professional Organization	National Association of State Budget Officers (NASBO)	
Division of Technology	DTO is tasked with helping to facilitate the delivery of technology, security and privacy-related services and solutions to governmental entities throughout the state.	Delivering technology, security and privacy-related services and solutions to governmental entities throughout the state.	Executive Branch/State Agencies		
Division of Technology	DTO is tasked with helping to facilitate the delivery of technology, security and privacy-related services and solutions to governmental entities throughout the state.	Instituting industry best practices and solutions in the government operations	Industry	Software and Information Technology (SAP); Information Technology Consulting (Deloitte)	

COMPLETING THE PARTNER TEMPLATE

The Partner Template is an Excel spreadsheet. Agencies are required to list all entities the agency is currently working with that help the agency accomplish its vision and mission. Figure 11 provides a snapshot of the Partner Template that an agency would be required to complete. Use the drop-down arrow under “Type of Partner Entity” heading in Column B to choose the correct classification of partner organization. Under the “Description of Partnership” from Column D thru Column I, explain the ways the agency works with the entity (name of projects, programs, initiatives, etc.) which help the agency accomplish its vision and mission. If there is a large list of partners that all fit within a certain group, the agency can list the group instead of each partner individually. For instance, if the agency works with every middle school in the state, the agency can list “SC Middle Schools” instead of listing each middle school separately.

FIGURE 11. SAMPLE PARTNER TEMPLATE

Agency Name:	0			Fiscal Year 2015-16 Accountability Report
Agency Code:	0	Section:	000	Partner Template
Name of Partner Entity	Type of Partner Entity	Description of Partnership	Associated Objective(s)	

COMPLETING THE REPORT TEMPLATE

The Report Template is an Excel spreadsheet. Agencies should list all reports, if any, that they are required to submit to a federal, state, local or outside entity on a regular basis. Figure 12 provides a snapshot of the Report Template that an agency would be required to complete. Use the drop-down arrows under “Type of Entity” heading in Column D and “Reporting Frequency” heading in Column E to choose the correct response to these fields. In Column G, agencies should summarize the information requested in the report. Under “Method to Access the Report” in Column H, agencies should explain how someone may obtain a copy of report (web link or paper copy).

FIGURE 12. SAMPLE REPORT TEMPLATE

Agency Name:	0			Fiscal Year 2015-16 Accountability Report			
Agency Code:	0	Section:	000	Report Template			
Item	Report Name	Name of Entity Requesting the Report	Type of Entity	Reporting Frequency	Submission Date (MM/DD/YYYY)	Summary of Information Requested in the Report	Method to Access the Report

COMPLETING THE OVERSIGHT REVIEW TEMPLATE

The Oversight Review Template is an Excel spreadsheet. Agencies should list all external or internal reviews, audits, investigations or studies (“Oversight Reviews”) of the agency which occurred during the past fiscal year (FY 2015-16). Figure 13 provides a snapshot of the Oversight Review Template that agencies would be required to complete. Use the drop-down arrow under “Type of Entity” heading in Column C to choose the correct response to the field. Under “Method to Access the Oversight Review Report” in Column F, agencies should explain how someone may obtain a copy of review report (web link or paper copy).

FIGURE 13. SAMPLE OVERSIGHT REVIEW TEMPLATE

Agency Name:	0			Fiscal Year 2015-16 Accountability Report
Agency Code:	0	Section:	000	Oversight Review Template
Item	Name of Entity Conducted Oversight Review	Type of Entity	Oversight Review Timeline (MM/DD/YYYY to MM/DD/YYYY)	Method to Access the Oversight Review Report

TECHNICAL ASSISTANCE SESSIONS

The Executive Budget Office of the Department of Administration and the House Legislative Oversight Committee will organize technical assistance sessions for agency leaders on the report’s new format and its use for an agency planning, management and evaluation process. Senior management and individuals, who complete the strategic planning template and the major program template, are **strongly recommended** to attend technical assistance sessions in July and August of 2016. The training schedule will be communicated to all agencies in late June.