

Performance Based Budgeting: Phase 3

Agency Explainer & Checklist

Overview

Per **2016 HB 2739**, the third phase of Performance Based Budgeting (PBB) requires the implementation of a “performance based budgeting system...such budgeting system shall include, but not be limited to, the following: (A) Incorporation of various outcome based performance measures, for state programs; and (B) enhancement of the capability to compare program effectiveness across multiple state and political boundaries.”

Phase 3 will require a budget to be submitted to the Legislature in January 2019 that contains updated and improved agency performance measures. To achieve this goal, state agencies, the Division of the Budget (DOB) and the Kansas Legislative Research Department (KLRD) will undertake a review of performance measures in 2018. The process for the review is set forth in the checklist below. If you have any questions about the process, please contact in the Division of the Budget Brendan Yorkey (brendan.yorkey@ks.gov; 785-296-2436) or in the Kansas Legislative Research Department Dylan Dear (dylan.dear@klrd.ks.gov; 785-296-3181).

Checklist/Process for Agencies

- Download the performance measure reporting template.** A standard template has been developed for listing and reporting performance measures. It can be downloaded from the DOB website (<http://budget.ks.gov/PBB.htm>) or the KLRD website (<http://www.kslegresearch.org/KLRD-web/PerformanceBasedBudgeting.html>).
- Review performance measures.** Evaluate and examine current performance measures and determine if new performance measures are needed. You may use any resources, process or methodologies available. Here are a few resources to help get started:
 - Budget Instructions -- <http://budget.ks.gov/agencyinfo.htm>.
 - PBB Overview—Phase 3 presentation -- <http://budget.ks.gov/PBB.htm> or <http://www.kslegresearch.org/KLRD-web/PerformanceBasedBudgeting.html>.
 - Performance Management Guide, State of Washington Office of Financial Management -- <http://budget.ks.gov/PBB.htm> or <http://www.kslegresearch.org/KLRD-web/PerformanceBasedBudgeting.html>.
 - Database of performance measures -- <http://budget.ks.gov/PBB.htm> or <http://www.kslegresearch.org/KLRD-web/PerformanceBasedBudgeting.html>.
- Enter performance measures in template.** The template has a tab for **Key Measures** which is followed by tabs for each program.
 - **Enter the Program Name, Subprogram Name and Performance Measures for each program tab.** If your agency does not have Subprograms, you may delete **Column A** on the program tab and **Column B** on the **Key Measures** tab. If you delete Column A on the

program tab, make sure to re-enter the Program Name at the top. The template includes three program tabs. Please make as many program tabs as necessary.

- **Only the description of the measure is required.** You do not need to enter data for each measure. An example of the performance measure reporting template is provided at <http://budget.ks.gov/PBB.htm>. You may copy and paste information from your PBB program inventory.

- Identify Key Measures.** Of the measures listed in each program tab, select the ones you believe are the key measures for each program and subprogram. Enter the key measures on the **Key Measures** tab in the template.

- Submit drafts of performance measure reporting template to your DOB and KLRD analyst by May 1, 2018.** Your DOB and KLRD analyst will provide input on the measures you have identified.

- Submit final changes to performance measures in agency budget submissions September 2018.**