Instructions for

Preparing and Submitting Agency Strategic Plans

Fiscal Years 2007-2011

Governor's Office of Budget, Planning and Policy
Legislative Budget Board

March 2006

CONTENTS

LETTER TO AGENCY ADMINISTRATORS

TO: State Agency Administrators

FROM: Mike Morrissey, Director
Governor's Office of Budget, Planning and Policy

John O'Brien, Deputy Director
Legislative Budget Board

DATE: March 10, 2006

SUBJECT: Agency Strategic Plan Instructions

The *Instructions for Preparing and Submitting Agency Strategic Plans for Fiscal Years 2007–11,* issued jointly by the Governor's Office of Budget, Planning and Policy (GOBPP) and the Legislative Budget Board (LBB), are now available for download at www.governor.state.tx.us and www.lbb.state.tx.us/divisions/BPP. Agencies that experience difficulties in accessing and/or printing the instructions should contact our offices.

The full text of *Pathway to Prosperity*, which contains goals for Texas state government as well as other statewide elements (e.g., state-level benchmarks), is included in Appendix A of these instructions. As is the case with agencies' and institutions' current Strategic Plans, we ask that you use *Pathway to Prosperity* as a guide for developing your plans and that you link those plans with the strategic goals and benchmarks contained within *Pathway to Prosperity.*

When developing strategic plans for fiscal years 2007–11, an agency is not required to link all elements of their budget structure (i.e., goals, strategies, measures, measure definitions, and other items of appropriation) to its strategic plan. If an agency wishes to add, modify, or delete budget structure elements, it must submit a request to the GOBPP and the LBB using the prescribed format in Appendix C no later than April 7, 2006. Both the GOBPP and the LBB expects that budget structure change requests will maintain or increase bill pattern transparency.

Please note the following requirements:

- All appellate courts and judicial agencies may request changes to their budget structure and performance measures using the format shown in Appendix C of the instructions. The Office of Court Administration should submit requested changes from the appellate courts.
- There are two different Strategic Plan submission dates—June 23, 2006 and July 7, 2006 (see Appendix B for submission schedule)[1].

- Each agency must complete the ABEST entry of its performance measure definitions by the date its Strategic Plan is due to be submitted.
- Agencies specifically involved with workforce system programs and services must document strategic plan linkages and agency responsibilities contained in the fiscal years 2004–09 Strategic Plan for the Texas Workforce Development System (see Appendix H).
- Agencies and institutions of higher education must submit their biennial Report on Customer Service under separate cover to the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board no later than June 1, 2006.
- All agencies must post their Strategic Plans, and Reports on Customer Service on their websites.

[1]Institutions of higher education (Section 205.6.001 of the Government Code), appellate courts, and judicial agencies are not required to submit a strategic plan.

INTRODUCTION

Beginning in 1991, Texas embarked on a comprehensive strategic planning process for all state agencies within the executive branch of government. House Bill 2009, Seventy-second Legislature, Regular Session, 1991, which inaugurated the process, established the requirements and time frame under which Texas completed its first planning cycle.

House Bill 2009 was subsequently codified as Chapter 2056 of the Government Code.

In 1993, Chapter 2056 of the Government Code was amended to consolidate certain planning requirements and to change the required planning horizon from six years to five years (i.e., the second year of the current biennium and the next two biennia). Formal plans must be completed and submitted every two years; however, agencies may engage in planning on a continual basis and may adjust plans internally as changing conditions dictate.

CONCEPTUAL FRAMEWORK

Strategic planning is a long-term, iterative, and future-oriented process of assessment, goal setting, and decision-making that maps an explicit path between the present and a vision of the future. It includes a multiyear view of objectives and strategies for the accomplishment of agency goals. Clearly defined outcomes and outputs provide feedback that leads to program performance that influences future planning, resource allocation, and operating decisions. The strategic planning process incorporates and sets direction for all agency operations.

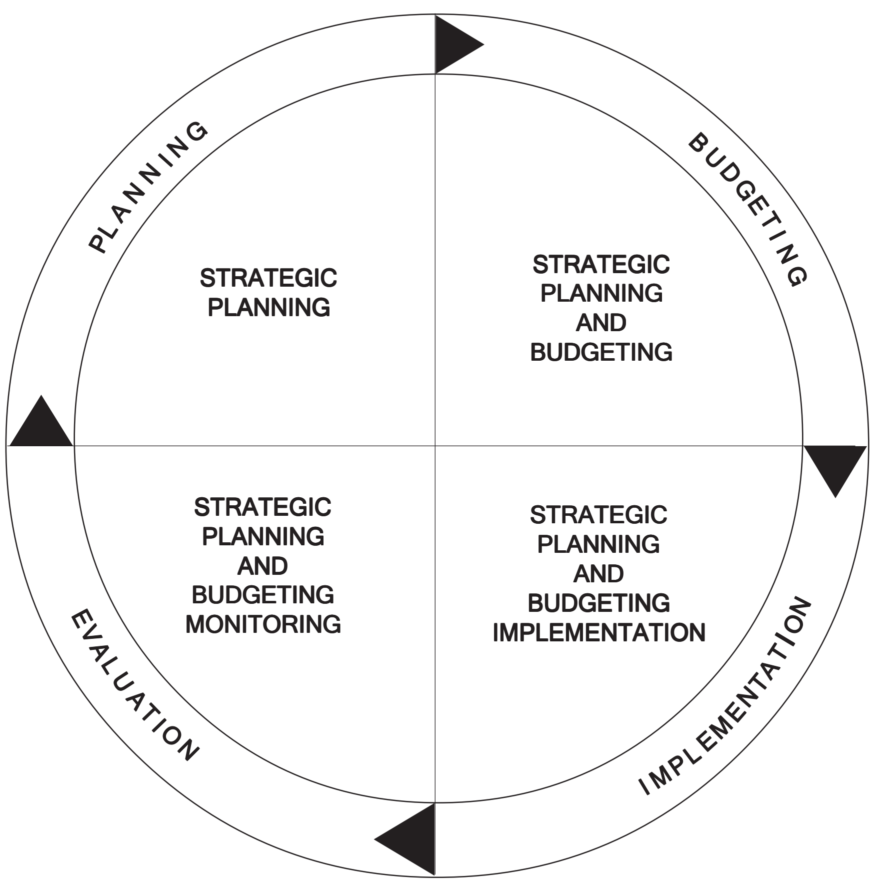
A Strategic Plan is a formal document that communicates an agency's goals, directions, and outcomes to various audiences, including the Governor and the Legislature, client and constituency groups, the general public, and the agency's employees.

STRATEGIC PLANNING AND BUDGETING

A successful strategic planning process will provide many benefits to agencies and those affected by their operations. As an agency clarifies its purpose and direction, it will develop a stronger identity. It will enhance decision-making by strengthening internal communication, both vertically and horizontally, and by articulating the primary factors affecting the agency and identifying the agency's long-term goals.

The process of developing the Strategic Plan will also strengthen the agency's external communications and emphasize customer service. As depicted in Figure 1, strategic planning will guide budget preparation and establish a basis for measuring success. Strategic planning relies on careful consideration of an organization's capabilities and environment and may lead to priority-based allocation of fiscal, human, technological, capital, and other resources. The Strategic Plan defines what an agency is and intends to be, as well as the principles guiding it. It outlines agency goals and objectives and produces strategies that lead to priority-based resource allocation decisions the agency plans to follow to achieve these long-term goals. Successful

FIGURE 1
STRATEGIC PLANNING AND BUDGETING SYSTEM



strategic planning is characterized not only by compliance with statutory requirements, but also by leaders, managers, and all employees of the agency being committed to the planning process and to the Strategic Plan. Ultimately, strategic planning will succeed or fail according to how well the process results in quality services. Producing identifiable and meaningful results is essential to a successful process. A glossary of commonly used terms related to strategic planning is contained in Appendix D.

PURPOSES OF STRATEGIC PLANNING

The ultimate goal of strategic planning is to anticipate and accommodate the future by identifying issues, opportunities, and problems. Strategic planning for Texas state government serves a number of distinct, though interrelated, purposes:

- to establish *statewide direction* in key policy or functional areas to move away from crisis-driven decision-making;
- to provide a starting point for *aligning resources* in a rational manner to address the critical issues facing the state now and in the future;
- to make state government *more responsive* to the needs of Texans by placing greater emphasis on benefits and results than on simply service efforts and workload;
- to bring *focused issues* to policymakers for review and debate;
- to provide a context to *link* the budget process and other legislative processes with priority issues, and to improve *accountability* for the use of state resources;
- to establish a means of *coordinating* the policy concerns of public officials with implementation efforts and to build interagency, intergovernmental, and public/private/nonprofit *partnerships*; and
- to provide a forum for communication between service providers and the constituents they serve.

TEXAS STRATEGIC PLANNING TEMPLATE: AN OVERVIEW

The Texas strategic planning template comprises nine "tiers." The Governor and the Legislative Budget Board develop the first two, which contain the statewide vision, mission, philosophy, goals, and benchmarks (i.e., "statewide elements") and which serve as a foundation for the strategic planning process. Agencies develop the elements in the remaining tiers as they prepare their individual Strategic Plans. Figure 2 on page 7 illustrates the nine tiers of the strategic planning template. Each tier is inextricably linked to the others.

The tiers are briefly described below:

STATEWIDE VISION, MISSION, AND PHILOSOPHY

- Vision—an inspiring view of the preferred future
- Mission—a concise statement of the basic purpose and role of Texas state government
- Philosophy—a statement of the core values and principles underlying Texas state government service

STATEWIDE GOALS AND BENCHMARKS

- Statewide Goals—general ends toward which the state directs its efforts
- Statewide Benchmarks—specific performance indicators and targets used to assess progress at the statewide level in achieving statewide goals

AGENCY MISSION

- the reason for an agency's existence (to be developed and submitted by agencies)

AGENCY PHILOSOPHY

- the expression of core values and principles for the conduct of the agency in carrying out its mission (to be developed and submitted by agencies)

EXTERNAL/INTERNAL ASSESSMENT

- an evaluation of key factors that influence the success of an agency in achieving its mission and goals (to be developed and submitted by agencies)

AGENCY GOALS

- general ends toward which agencies direct their efforts (to be developed and submitted by agencies in approximate priority order)

OBJECTIVES AND OUTCOME MEASURES

- clear targets for specific action and the quantified results or impacts of that action (to be developed and submitted by agencies in approximate priority order)

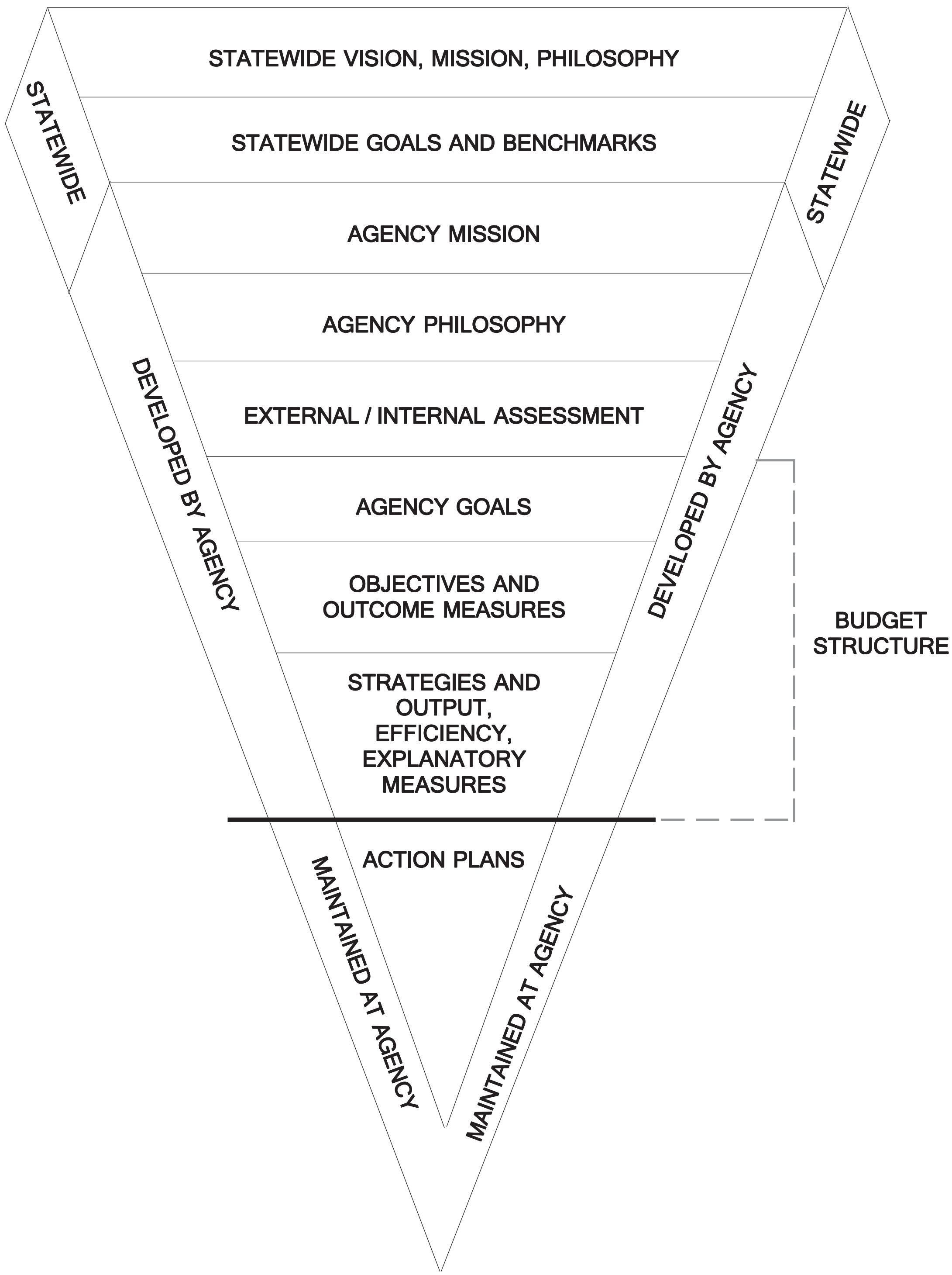
STRATEGIES AND OUTPUT, EFFICIENCY, AND EXPLANATORY MEASURES

- methods to achieve goals and objectives and the quantified end products, proficiencies, and descriptive indicators of the agencies' efforts (to be developed and submitted by agencies in approximate priority order)

ACTION PLANS

- detailed methods for implementing the strategies (to be developed and maintained by agencies, but not included as part of their strategic planning submissions)

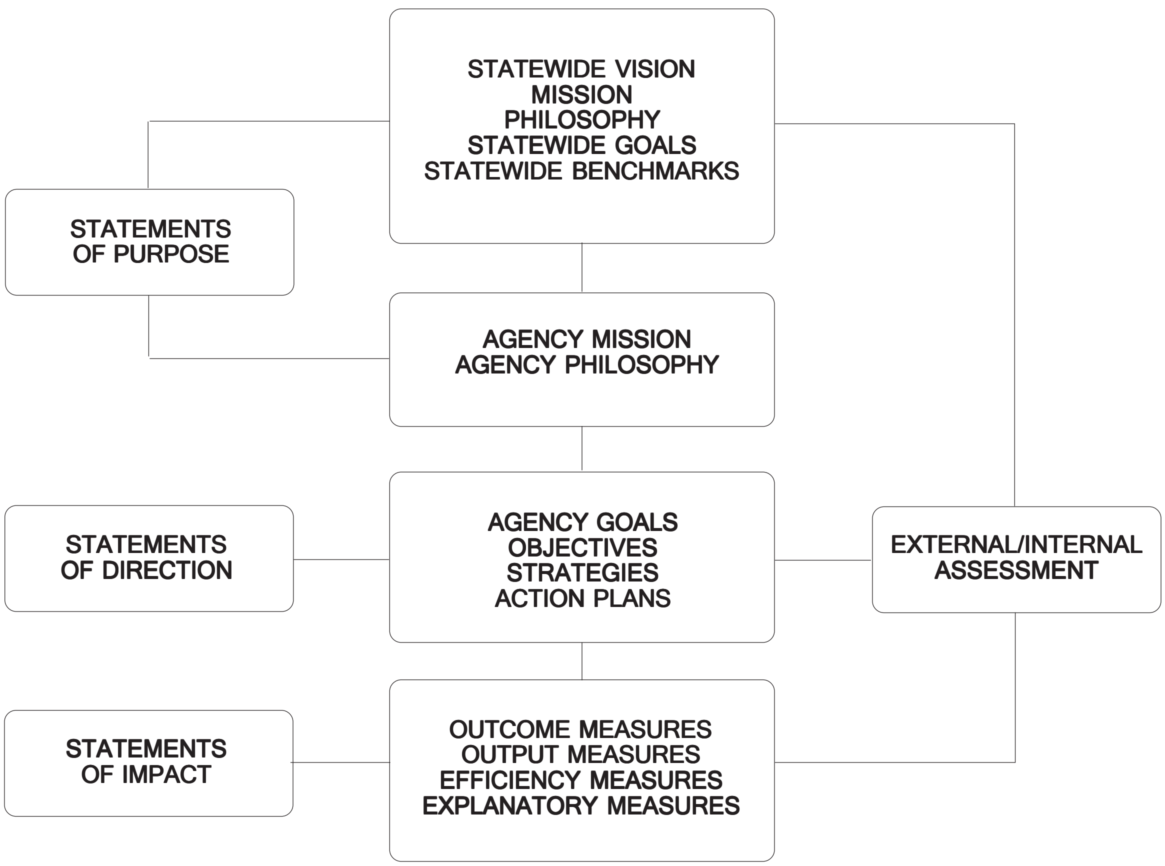
FIGURE 2
STRATEGIC PLANNING TEMPLATE



STRATEGIC PLANNING ELEMENTS

Figure 3 illustrates the relationship between the elements of the strategic planning process. Each of these elements is described in greater detail in other parts of these instructions.

FIGURE 3
STRATEGIC PLANNING ELEMENTS



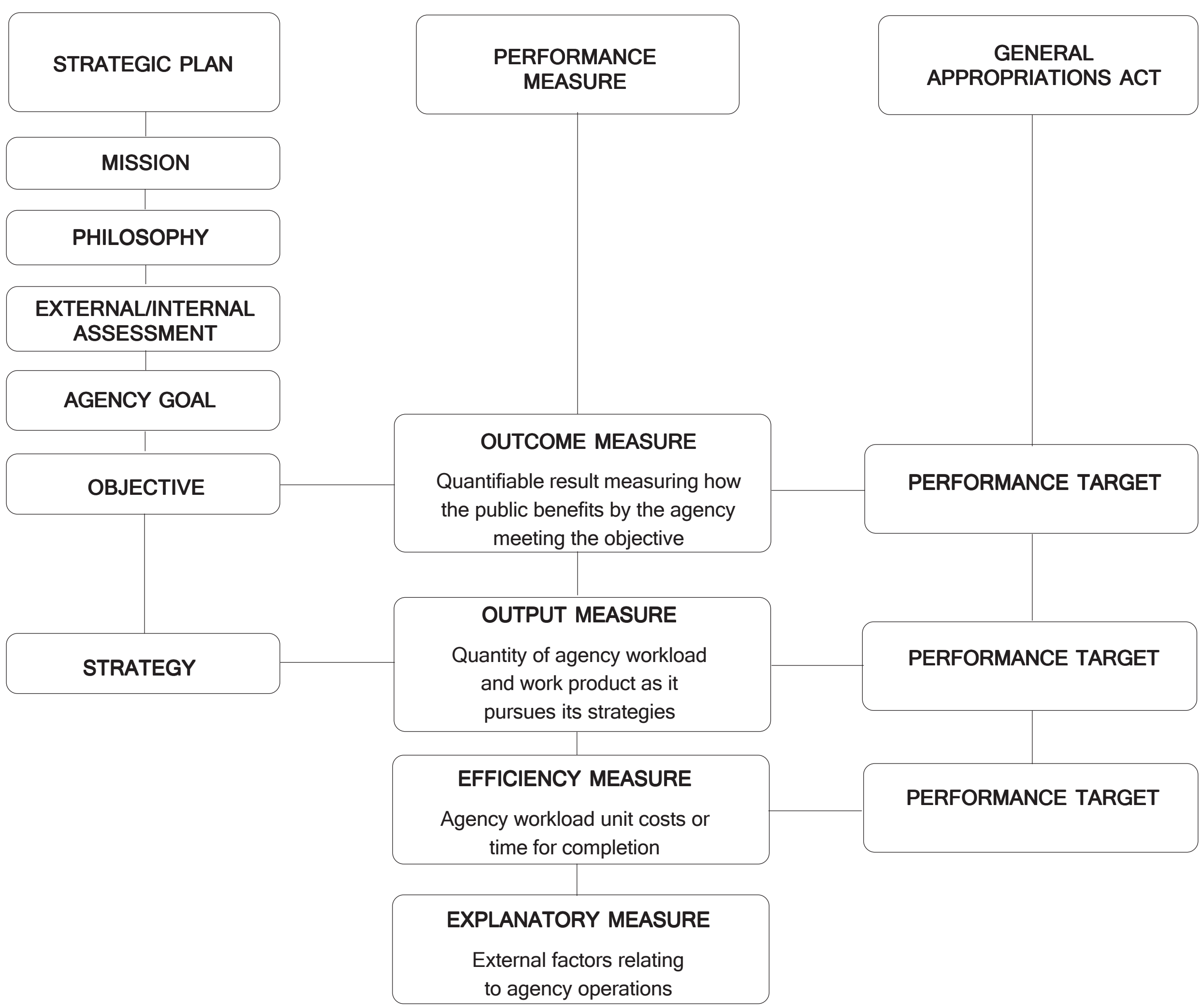
STRATEGIC PLANNING AND THE APPROPRIATIONS PROCESS

In recent years, strategic planning has been the first step in Texas' Strategic Planning and Budgeting System. This system recognizes a relationship between strategic planning, allocation of resources, and performance evidenced by quality service. The process includes a multiyear view of the strategies for the accomplishment of agency objectives and goals.

Figure 4 illustrates possible linkages within the Strategic Planning and Budgeting System.

The Strategic Plan has been routinely used as a starting point for development of an agency's budget structure, (i.e., goals, strategies, measures, measure definitions, and other items of appropriation).

FIGURE 4
STRATEGIC PLANNING AND PERFORMANCE BUDGETING



Agencies are encouraged to develop budget structures that are useful and provide sufficient detail to be understandable. An agency's budget structure does not necessarily need to mirror its Strategic Plan.

Any changes to an agency's 2006–07 budget structure must be requested in writing by April 7, 2006, using the format shown in Appendix C and approved by the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board.

SEQUENCE OF EVENTS

These are the major tasks and targeted completion dates for the strategic planning and budgeting process:

MARCH 2006

The Governor, in cooperation with the Legislative Budget Board, issues *Pathway to Prosperity*—the statewide elements (i.e., vision, mission, philosophy, goals, benchmarks).

Instructions for *Preparing and Submitting Agency Strategic Plans for Fiscal Years 2006–11* are issued by the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board.

APRIL 7, 2006

Deadline for agency requests to the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board to add, modify, or delete budget structure elements (i.e., goals, strategies, measures, and measure definitions).

APRIL 2006

Instructions for preparing and submitting Agency Requests for Legislative Appropriations for the 2008–09 biennium are issued by the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board.

JUNE 1, 2006

Due date for separate submission of Report on Customer Service from agencies and institutions of higher education.

JUNE 23, 2006 AND JULY 7, 2006

Due dates for submission of agency Strategic Plans for fiscal years 2007–11, including ABEST entry of performance measure definitions (see Appendix G), and Information Resources Strategic Plans from institutions of higher education and judicial branch agencies.

STATE AGENCY PARTICIPATION AND DEFINITION

Chapter 2056 of the Government Code requires strategic planning for all agencies in the executive branch of state government. For these purposes, a state agency is defined as a department, commission, board, office, or other entity of state government, other than a university system or an institution of higher education, as defined by Section 61.003, Education Code that

(1) has authority that is not limited to a geographical portion of the state;

(2) was created by the constitution or a state statute and has an ongoing mission and responsibilities;

(3) is not the Office of the Governor or Lieutenant Governor;

(4) is not within the judicial or legislative branch of government; and

(5) is not a committee created under state law whose primary function is to advise an agency.

REQUIRED INFORMATION

In addition to items discussed elsewhere in these instructions, each state agency's Strategic Plan must contain, or address (where applicable), the following items:

HISTORICALLY UNDERUTILIZED BUSINESS PLAN

Pursuant to Government Code, Section 2161.123, each agency must prepare, and include as part of its Strategic Plan, a written plan for its use of historically underutilized businesses (HUBs) in purchasing and public works contracts. The plan must include the following elements (see Appendix E for examples):

GOAL

A policy or mission statement relating to the use of historically underutilized businesses by the agency.

OBJECTIVE

Goals to be met by the commission or agency in carrying out the policy or mission.

STRATEGY

Specific programs to be conducted by the agency to meet the goals stated in the plan, including a specific program to encourage contractors to use historically underutilized businesses as partners and subcontractors.

EXTERNAL/INTERNAL ASSESSMENT

A statement relating to the agency's past use of historically underutilized businesses in purchasing and in public works contracting.

An agency's HUB plan shall be incorporated into the Strategic Plan as a separate nonbudgeted or indirectly funded goal with associated elements as indicated.

DESCRIPTION OF AGENCY PLANNING PROCESS

Agencies must also include an appendix that briefly describes the internal planning process used in the development of their Strategic Plans. Any additional information that agencies wish to provide in support of their Strategic Plans may be attached as separate appendices. All agency plans, however, must be presented in the format provided and must contain every element in these instructions.

DISCUSSION OF CURRENT-YEAR ACTIVITIES

In order to link Strategic Plans to the state's fiscal cycle, the primary focus of agency plans should be the five-year period between September 1, 2006, and August 31, 2011 (fiscal years 2007–11). The plans should briefly discuss any goals, objectives, or strategies to be accomplished in fiscal year 2006; however, the emphasis of the agency plans should remain on the five years beginning with fiscal year 2007.

WORKFORCE PLAN

Each state agency is required to conduct a strategic planning staffing analysis and develop a workforce plan that follows guidelines developed by the State Auditor. The workforce plan should address the agency's critical staffing and training needs, including the need for experienced employees to impart knowledge to their potential successors pursuant to Section 2056.002, Government Code. Agencies should refer to the State Auditor's Office Workforce Planning website (www.hr.state.tx.us/workforceplanning) to complete their plans (this website contains a Workforce Planning Guide, Workforce Plan Questionnaire, tools, and other helpful information). Agencies will need to include this plan as an appendix to their Strategic Plan.

REPORT ON CUSTOMER SERVICE

Agencies and institutions of higher education shall submit a Report on Customer Service to the Legislative Budget Board and the Governor's Office of Budget, Planning and Policy no later than June 1, 2006, separate from an agency's required Strategic Plan.

Section 2114 of the Government Code requires state agencies and institutions of higher education to develop customer service standards and implement customer satisfaction assessment plans. Agencies and institutions (e.g., newly created) that have not previously prepared a Compact with Texans and/or appointed a customer relations representative pursuant to Section 2114, Government Code, must include this information in their required Report on Customer Service.

The Report on Customer Service should contain these five elements:

1. An inventory of external customers served by each strategy listed in the 2006–07 General Appropriations Act and a brief description of the types of services provided to them.

2. A brief description of the information-gathering methods utilized in obtaining input from agency/institution customers. This description should include a summary description of surveys, focus groups, or other methods utilized in sufficient detail to allow an evaluation of the quality of the information-gathering processes. The description should also include, but is not to be limited to, the following items: data collection time frames/cycles; data limitations; numbers of customers surveyed; confidence intervals/levels; error/response rates; customer groups excluded from the data-collection process and a justification for such exclusion; and any other information considered important for explaining the methods used.

When direct recipients of any agency's or institution's services are broad classes of Texans (e.g., all citizens), and/or when evaluating customer service quality may require expensive and extensive means, agencies may use alternative approaches to assess customer satisfaction. For example, agencies may use political subdivisions (e.g., school boards, county health departments, councils of government, and other surrogates/intermediaries) as sources of data for the purpose of measuring customer service quality.

Agencies may also make reasonable choices to limit the number of customer groups contacted to focus on priority populations of customers, to limit the frequency and degree of customer-information gathering, and to otherwise exercise discretion in implementing the statutory provisions to ensure meaningful but cost-effective data collection.

Agencies should weigh the cost of addressing a customer category using any particular method against the potential benefits of the information. Major customer classes involved in significant agency activities/services should be included. Smaller classes or those requiring expensive data collection methods should be given a lower priority.

Methods used, including statistical sampling and focus groups, should be statistically sound in design and practice to ensure accurate data.

3. A chart detailing the levels of customer-determined service quality and other relevant information received for each customer group and each statutorily required customer service quality element (i.e., facilities, staff, communications, Internet sites, complaint-handling processes, service timeliness, and printed information). Appendix F includes examples of pre-specified responses that address the seven customer service quality elements.

4. An analysis of the findings identified from the customer satisfaction assessment. This analysis should include an identification of changes that would improve the survey process itself, as well as summary findings regarding the quality of service provided and improvements to be made in response to this assessment.

5. Performance measure information related to customer service standards and customer satisfaction (i.e., wait times, complaints, responses), in addition to the standard measures listed below. Estimated performance for fiscal year 2006~~2004~~ should be included for both agency-specific and standard measures.

OUTCOME MEASURES

- Percentage of Surveyed Customer Respondents Expressing Overall Satisfaction with Services Received

- Percentage of Surveyed Customer Respondents Identifying Ways to Improve Service Delivery

OUTPUT MEASURES
- Number of Customers Surveyed
- Number of Customers Served

EFFICIENCY MEASURES
- Cost per Customer Surveyed

EXPLANATORY MEASURES
- Number of Customers Identified
- Number of Customer Groups Inventoried

PERFORMANCE MEASURE DEFINITIONS

All agencies must complete ABEST entry of performance measure definitions by the submission due date of their Strategic Plan. Each agency must also submit, as an appendix to the copies of its Strategic Plan submitted to the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board, the definitions for all measures contained in its approved strategic planning and budget structure.

A performance measure's definition establishes an explanation of the measure, the methodology for its calculation, and enough information about the measure that it can be clearly understood. The description of a measure's calculation must be detailed enough to allow replication. Definitions submitted with the Strategic Plan must present all of the elements shown below, using the following format:

SHORT DEFINITION
Provides a brief explanation of what the measure is, with enough detail to give a general understanding of the measure.

PURPOSE/IMPORTANCE
Explains what the measure is intended to show and why it is important.

SOURCE/COLLECTION OF DATA
Describes where the information comes from and how it is collected.

METHOD OF CALCULATION
Describes clearly and specifically how the measure is calculated.

DATA LIMITATIONS
Identifies any limitations about the measurement data, including factors that may be beyond the agency's control.

CALCULATION TYPE
Identifies whether the information is cumulative or noncumulative.

NEW MEASURE
Identifies whether the measure is new, has significantly changed, or continues without change from the previous biennium.

DESIRED PERFORMANCE
Identifies whether actual performance that is higher or lower than targeted performance is desirable (e.g., a disease rate lower than targeted is desirable).

Appendix G provides examples of definitions prepared using this format. Additional information may be found in the *2000 Guide to Performance Measure Management* published by the Legislative Budget Board, the Governor's Office of Budget, Planning and Policy, and the State Auditor's Office.

OTHER STATE PLANNING REQUIREMENTS

In addition to the strategic planning requirement for state agencies set forth in Chapter 2056 of the Government Code, state agencies may be subject to other state planning requirements. To the extent possible, agencies should coordinate the development of their Strategic Plans with other state planning requirements and, as appropriate, cross-reference these plans and efforts. Some of these other requirements include the following:

INFORMATION RESOURCES MANAGEMENT STRATEGIC PLANNING

Chapter 2054 of the Government Code requires each state agency and institution of higher education to prepare and submit an Information Resources Strategic Plan to the Department of Information Resources that supports both the agency's Strategic Plan (or the Legislative Appropriations Request in the case of institutions of higher education), as well as the *State Strategic Plan for Information Resources Management* prepared by the Department of Information Resources.

STATEWIDE CAPITAL PLANNING

Section 11.02, Article IX of the 2006–07 General Appropriations Act requires all state agencies and institutions of higher education to supply capital planning information relating to projects for the 2008–09 biennium to the Bond Review Board. Based on information submitted by agencies and institutions, the Bond Review Board is required to compile a statewide capital expenditure plan for the 2008–09 biennium for submission to the Legislative Budget Board and the Governor's Office of Budget, Planning and Policy. Capital plans should be submitted separately to the Bond Review Board in accordance with instructions that will be provided separately by that agency.

HEALTH AND HUMAN SERVICES STRATEGIC PLANNING

Chapter 531 of the Government Code requires the Executive Commissioner of Health and Human Services to develop a coordinated state Strategic Plan for health and human services for submission to the Governor, Lieutenant Governor, and Speaker of the House. Chapter 531 also requires all health and human services agencies to submit Strategic Plans and biennial updates to the Health and Human Services Commission.

WORKFORCE DEVELOPMENT SYSTEM STRATEGIC PLANNING

Chapter 2308 of the Government Code requires the Texas Workforce Investment Council to prepare for the Governor and report to the Legislature a strategic plan that establishes the framework for the budgeting and operation of all workforce development programs, including school-to-careers and welfare-to-work components. The Strategic Plan for Workforce Development for the upcoming agency biennial planning period has been completed and includes long-term objectives, relevant agency actions, and performance measures that will be used in evaluating agency plans and components.

See Appendix H for instructions and templates for preparing and submitting documentation of linkages and incorporating agency accountabilities in *Destination 2010: Fiscal Years 2004–09 Strategic Plan for the Texas Workforce Development System*.

ASSEMBLY AND DISTRIBUTION OF PLANS

- All pages of the agency Strategic Plan should be prepared on letter-size paper (8½ x 11), numbered consecutively at the bottom center of the page, and securely bound along the left margin in a document with durable covers.
- The Strategic Plan may be printed on both sides of the page, with the items and elements assembled in the same manner as shown in these instructions. A sample title sheet form is included on page 17.
- All financial figures included in the Strategic Plan should be expressed as whole dollars, omitting cents, with the exception of pertinent performance measures.
- Numbers of personnel should be expressed either as whole numbers or rounded to the nearest tenth, as appropriate.

AGENCY STRATEGIC PLANS SHOULD BE ASSEMBLED IN THE FOLLOWING ORDER:

- Title Sheet
- Table of Contents
- Statewide Vision, Mission, and Philosophy
- Relevant Statewide Goals and Benchmarks
- Agency Mission
- Agency Philosophy
- External/Internal Assessment
- Agency Goals
- Objectives and Outcome Measures
- Strategies and Output, Efficiency, and Explanatory Measures
- Appendices

  A. Description of Agency's Planning Process
  B. Current Organizational Chart
  C. Five-year Projections for Outcomes
  D. List of Measure Definitions (only for copies submitted to the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board)
  E. Workforce Plan
  F. Survey of Organizational Excellence Results and Utilization Plans (if applicable)
  G. Workforce Development System Strategic Plan (see Appendix H, if applicable)

Copies of the agency Strategic Plan must be received no later than June 23, 2006 or July 7, 2006 by the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board (depending on an agency's submission due date as shown in Appendix B). In addition, copies must be distributed to each of the individuals and entities listed in Appendix I.

GUIDE TO STRATEGIC PLAN DEVELOPMENT

The remainder of this document is devoted to detailed descriptions of the various discussed components that should make up each agency's Strategic Plan. The descriptions of each component will typically include a definition, development guides, and an example.

TITLE SHEET

The title sheet for an agency's Strategic Plan should look like the example in Figure 5.

FIGURE 5
STRATEGIC PLANNING TITLE PAGE TEMPLATE

AGENCY STRATEGIC PLAN

FOR THE FISCAL YEARS 2007-11 PERIOD

BY

AGENCY, DEPARTMENT, BOARD, OR COMMISSION

BOARD MEMBER	DATES OF TERM	HOMETOWN

DATE OF SUBMISSION

SIGNED: ______________________________
(ADMINISTRATOR)

APPROVED: ______________________________
(BOARD/COMMISSION CHAIR)

TABLE OF CONTENTS

A Table of Contents should be provided that identifies the individual strategic planning elements, individual appendices, and any additional materials.

STATEWIDE ELEMENTS

The statewide elements form the basis for developing all other elements of the strategic planning process. These elements declare what the state's leaders envision for the future of Texas, define the broad purposes that Texas state government seeks to fulfill, articulate core values and principles, and delineate the ultimate ends toward which state government directs its efforts. The statewide elements (i.e., *Pathway to Prosperity: The Statewide Strategic Planning Elements for Texas State Government*), which are reissued every two years, are included in Appendix A. Agency Strategic Plans should be developed in a manner consistent with the statewide elements. Applicable statewide goals and benchmarks should be reprinted in the final plan.

DEFINITIONS

VISION

An inspiring picture of a preferred future. A vision is not bound by time, represents global and continuing purposes, and serves as a foundation for a system of strategic planning. A statewide vision depicts an ideal future for the people of Texas and the contributions that state government can make to that end.

MISSION

A broad, comprehensive statement of purpose that reinforces the basic responsibilities of government. The statewide mission defines what the state does and whom it serves.

PHILOSOPHY

A declaration of the fundamental principles and values underlying every activity of state government. The philosophy describes the way in which state government does business.

STATEWIDE GOALS

The general ends toward which the state directs its efforts. The statewide goals address the primary issues facing the state within broad groupings of interrelated functions. Statewide goals are founded on the statewide vision and may involve coordination among agencies with similar functions. Each agency's Strategic Plan will link directly to these statewide goals.

STATE-LEVEL BENCHMARKS

Numerical indicators used for assessing state government progress in meeting its goals. They are indicators of success as well as specific statewide targets for future performance. They address the primary performance issues facing the state within broad groupings of interrelated functions. State-level benchmarks relate to statewide goals and may involve coordination among agencies with similar functions. As with statewide goals, agency strategies will link directly to those benchmarks.

AGENCY MISSION

DEFINITION

AGENCY MISSION

The reason for an agency's existence. The mission succinctly identifies what the agency does, why, and for whom. A mission reminds everyone—the public, the Governor, legislators, the courts, and agency personnel—of the unique purposes promoted and served by the agency.

The mission of the agency identifies what the agency is, why it exists, and its unique contribution. The mission appears at the beginning of the agency's Strategic Plan and provides the foundation for the rest of the document. It should link to the statewide mission contained in the statewide elements.

DEVELOPMENT GUIDES

The mission describes the overall role of the agency as it relates to the state as a whole and is the thread tying the agency's organizational structure and its activities together. The agency's mission may link to several state functional areas, depending on the nature of the agency. All agency employees should be able to identify their specific working relationship to this defined mission. The mission must be clearly understandable to the public and should, at a minimum, answer the following questions:

1. Who are we as an organization and whom do we serve?
2. What are the basic purposes for which we exist, and what basic problems are we established to address?
3. What makes our purpose unique?
4. Is the mission in harmony with the agency's enabling statute?

As noted above, the mission statement succinctly identifies agency purposes by distilling from enabling statutes or constitutional provisions the most important reasons for an agency's work. In developing the mission, the agency should also examine other relevant sources (e.g., board policies and program descriptions). The mission should generally be no more than one paragraph in length. This element of the Strategic Plan should describe the linkage between the agency's mission and the adopted statewide goals.

EXAMPLE OF MISSION FOR A HYPOTHETICAL AGENCY

> The mission of the Department of Environmental Quality is to establish and enforce standards to ensure the best possible environmental quality for the people of Texas and to protect public health and safety while facilitating economic growth.

AGENCY PHILOSOPHY

DEFINITION

AGENCY PHILOSOPHY

> The expression of core values and operating principles for the conduct of the agency in carrying out its mission. It describes how the agency conducts itself as it does its work.

The agency philosophy is derived in conjunction with the agency's mission. It defines the way in which the agency does business by articulating management policies and principles. The philosophy should define a customer-oriented approach for producing and delivering government services.

DEVELOPMENT GUIDES

The philosophy should reflect the values and principles that guide the agency's behavior. It is a statement of the relationship between the organization and its stakeholders—consumers of its services or products, service communities, employees, et al. The philosophy defines the basic agency approach in terms of management style, organizational values, and rules of personal and agency behavior. It might include such topics as respect for individuals (customers and employees), ethical and professional standards of conduct, equal opportunity policies, and emphasis on quality services.

In developing the philosophy, the following questions should be addressed:

1. How will we conduct ourselves in carrying out our mission?
2. What are our organizational values?

The agency's personnel manual should be consistent with principles outlined in its philosophy. The philosophy statement should generally be no more than one paragraph in length.

The philosophy should be developed by the agency and provided as indicated in the following example.

EXAMPLE OF PHILOSOPHY FOR A HYPOTHETICAL AGENCY

> The Department of Environmental Quality will act in accordance with the highest standards of ethics, accountability, efficiency, and openness. We affirm that environmental protection is a public and private trust. We approach our activities with a deep sense of purpose and responsibility. The public and regulated community alike can be assured of a balanced and sensible approach to regulation.

EXTERNAL/INTERNAL ASSESSMENT

DEFINITION

EXTERNAL/INTERNAL ASSESSMENT

> An evaluation of key factors that influence the agency. Detailed evaluation of trends, conditions, opportunities, and obstacles directs the development of each element of the Strategic Plan. This type of

assessment may be heavily quantitative, but may also include qualitative issues. External factors may include economic conditions, population shifts, technological advances, geographical changes, and statutory changes. Internal factors may include management policies, resource constraints, organizational structure, automation, personnel, and operational procedures.

The external/internal assessment sets the stage for the agency's strategic planning process. Its purpose is to facilitate the agency's recognition of current and future issues that may affect operations and results. The assessment should be a concise summary of the information collected and analyzed. It should provide only highlights of the conclusions drawn by the agency from the analytical process.

The external/internal assessment should be an ongoing process that is critical to the development of each element of the Strategic Plan. It should be the basis for justifying an agency's decisions regarding goals, objectives, strategies, and performance measures.

The external/internal assessment should identify specific need indicators and address the major issues affecting the agency during the plan's time frame. It should be used and refined at each stage of the strategic planning process. The external/internal assessment is an ongoing evaluation tool for analyzing what the agency has accomplished and where it needs to head. It should be used in annual reviews of the agency's implementation of its Strategic Plan.

Prior to the development of agency goals, a thorough analysis of the agency's current position and its expectations for internal and external change should be conducted. The external/internal assessment should address all factors affecting the agency, including strengths, weaknesses, opportunities, and threats.

DEVELOPMENT GUIDES

State law requires the Comptroller of Public Accounts to provide a long-term forecast of the state's economy and population for use in the external/internal assessment. A summary of this forecast is included in Appendix J. The agency should use the summary to the extent that variables important to agency activities are included in the forecast. A more complete set of variables is available for agency use through the Revenue Estimating Division of the Office of the Comptroller of Public Accounts. Please footnote data and projections obtained from sources other than the Comptroller's Office.

The external/internal assessment should include the following information, as required by Chapter 2056 of the Government Code:

1. an identification of groups of people served by the agency and of priority and other service populations under current law, and how those populations are expected to change within the time frame of the Strategic Plan;
2. an analysis of current agency resources for meeting current needs and expected needs and a broad summary of additional resources necessary to meet future needs;
3. an analysis of expected changes in services provided by the agency due to changes in state or federal law;
4. a description of means and strategies for meeting the agency's needs, including future needs, and achieving the goals established in *Pathway to Prosperity* for each area of state government for which the agency provides services;
5. a broad summary of the capital improvement needs of the agency during the period covered by the plan, and a prioritization of those needs (see "Other State Planning Requirements" for related requirement); and
6. an identification of each geographic region of Texas served by the agency, including the Texas-Louisiana and the Texas-Mexico border regions, and, if appropriate, the agency's measures and strategies for serving each region.

The external/internal assessment addresses economic, political, technological, demographic, and social factors affecting the organization in order to determine how well the agency has met its external challenges. A complete assessment of such factors encompasses both historical and future perspectives with reviews of past performance and forecasts of trends in the agency environment. The assessment should provide a forecast discussion of annual performance of the agency's outcome measures, output measures, and other indicators that are expected to have significant impact on the agency's programs for the five-year period of the Strategic Plan. As part of the assessment process, agencies are strongly encouraged to solicit comments from individuals and groups that have an interest in, or are affected by, agency policies and programs.

The **external assessment** should address, at a minimum, the following questions:

1. Who are our target populations and what changes, if any, are anticipated within the time frame of the Strategic Plan? What is the level of customer demand and public need for our agency's products or services? To what extent do we interact with our customers to identify those demands and needs? How do we determine if we should attempt to meet them and how do we assess our progress in meeting them? What are the most significant indicators of customer demand and public need? What trends have been identified?
2. What major issues, conditions, or problems in the external environment are relevant to the delivery of our agency's goods and services? What conditions could affect or alter key elements of the environment? What implications do specific environmental changes, such as changes in state or federal law, hold for the agency? What relationships exist between our agency's programs, programs in other agencies, and statewide initiatives with related target populations? What opportunities may exist for improving coordination or eliminating duplication between programs?
3. What strengths, weaknesses, opportunities, or obstacles characterize our external relationships? What opportunities are available that have not been previously explored? What factors or conditions significantly affect the agency's use of historically underutilized businesses (HUBs)?
4. What progress has been made by the agency toward achieving the objectives and desired outcomes described in the agency's current Strategic Plan? To what extent are our customers satisfied with the services we provide? What other jurisdictions perform similar functions, and how can we emulate their successes? How reliable are annual performance projections for the next five-year strategic planning period on all outcome measures and on the most significant output measures?
5. What is the impact of agency strategies on service populations and statewide benchmarks? What is the nature and degree of these relationships?

The **internal assessment** should address, at a minimum, the following questions:

1. How successful are internal agency processes for meeting the needs of our target populations and other agency customers? In what ways has the agency grown, remained the same internally, or changed, and why? To what extent have we analyzed the best practices of other jurisdictions and adopted those practices internally? What are reasonable expectations for the impact of such changes on performance levels? What are our internal accomplishments? What have we failed to accomplish internally and why?
2. What is the public's perception of the quality of our products and services? What are we doing well? What are we doing poorly? How do our products and services and internal processes compare with recognized standards for program accreditation or evaluation criteria? What is our process for identifying the best practices of public, private, and nonprofit sector leaders? How do we disperse that information throughout the agency? Do our programs and activities support one another, or is there conflict or duplication?

3. What programs or activities are expected to grow or decline, and how have we planned to accommodate those changes? What are the agency's current and anticipated resource needs (including capital, lease, and consultant/contractual)? What strengths, weaknesses, opportunities, or obstacles characterize our internal operations?
4. What procedures will be used to implement our agency's plan for the use of HUBs in purchasing and public works?
5. What are our employees' attitudes toward our organization? What are the significant issues identified by our employees as internal weaknesses? How can we address those issues? How can we support our employees as they are called on to accept more responsibilities and meet more challenges? (See Appendix K for related information.)
6. What immediate and longer-term strategies are in place in the organization to involve employees in intensifying both involvement and accountability to further organizational excellence? What specific timetables are associated with these strategies?
7. What steps are being taken to ensure taxpayer dollars are used most effectively and efficiently within the agency?

The external/internal assessment should be developed by the agency and may include elements from the example contained in Appendix L, as are relevant and appropriate to agency circumstances.

AGENCY GOALS

DEFINITION

AGENCY GOALS

The general ends toward which agencies direct their efforts. A goal addresses issues by stating policy intention. It is both qualitative and quantifiable, but is not quantified. In a strategic planning system, goals are ranked for priority. Goals stretch and challenge an agency, but they are realistic and achievable.

DEVELOPMENT GUIDES

The development of agency goals is one of the most critical aspects of the strategic planning process, since goals chart the direction of the agency. The goal development process begins to focus the agency's actions toward clearly defined purposes. Within the scope of the stated mission and utilizing the external/internal assessment, goals specify where the organization desires to be in the future. Goals are broad, issue-oriented statements that reflect the realistic priorities of the agency.

Goals should be client-focused, address the primary external and internal issues facing the organization, and be easily understood by the public. Although there is no established limit, the number of goals the agency may develop should be kept to a reasonable number in order to establish the agency's direction and provide a unifying theme for programs and activities. They are shown in the Strategic Plan in approximate priority order. During goal development, the agency should begin identifying the desired results of its efforts and the corresponding performance measures that will quantify accomplishment of those results.

The formation of agency goals should include, but is not limited to, an analysis of the following questions:

1. Are the goals in harmony with the agency's mission and philosophy statements and will achievement of the goals fulfill or help fulfill the agency's mission?
2. Are the goals derived from the external/internal assessment and do they reflect responses to identified factors?
3. Do the goals provide a clear direction for agency action?
4. Are the goals unrestricted in terms of time? Do they reflect agency priorities?

Each agency's Strategic Plan must include a goal that presents the elements of the agency's plan to increase its use of HUBs. An example of a HUB goal is contained in Appendix E.

Based directly on its delineated goals, the agency will specify expected accomplishments (objectives) and actions (strategies) to achieve those objectives. The goal element of the Strategic Plan generally should be no more than two sentences in length per goal and should include the statutory citation(s) that provide authority for the goal. Agencies may include other appropriate goals, even when statutory authorization is not provided, although these should be identified.

Agency goals should be developed by the agency and provided as indicated in the following example:

EXAMPLE OF GOALS FOR A HYPOTHETICAL AGENCY

(1) We will improve air quality in Texas, especially in major urban areas where air pollution is the greatest. (Health and Safety Code, Chapter 582)

(2) We will aggressively enforce all environmental standards and ensure swift, fair, and effective enforcement for violators of these standards. (Health and Safety Code, Chapter 582)

(3) We will educate the general public and industry about the importance of preserving the environment through pollution prevention, recycling, and source reduction. (No specific statutory authorization.)

(4) We will respond effectively and efficiently to federal mandates while aggressively pursuing federal funding for Texas' environmental programs. (Health and Safety Code, Chapter 582)

OBJECTIVES

DEFINITION

OBJECTIVES

Clear targets for specific action. They mark quantifiable interim steps toward achieving an agency's long-range mission and goals. Linked directly to agency goals, objectives are measurable, time-based statements of intent. They emphasize the results of agency actions at the end of a specific time period.

DEVELOPMENT GUIDES

Objectives are tools that can provide incentives to improve employee motivation and productivity and inform citizens of how well an agency is meeting their needs. The development of objectives aids decision making and accountability by focusing on outcomes. An agency's objectives are derived from its goals. Objectives should be shown under each goal in approximate priority order.

Each stated goal should have at least one objective; however, an agency may have multiple objectives under a single goal. The data necessary to establish objectives and determine the feasibility of achieving realistic objectives should be provided by the agency's external/internal analysis. Objectives should be easily understood by the public and clearly state the specific results the agency seeks to accomplish.

The following questions should be asked to determine the relevancy of the objective:

1. Does meeting the objective demonstrate progress toward the stated goal?
2. Does the objective clearly state what the agency intends to accomplish?
3. Is the objective realistic and attainable? How does it compare with the objectives of other states?
4. Does the objective describe an outcome in terms of specific targets and time frames?

OUTCOME MEASURES

DEFINITION

OUTCOME MEASURES

Indicators of the actual impact or effect on a stated condition or problem. They are tools to assess the effectiveness of an agency's performance and the public benefit derived from it. An outcome measure is typically expressed as a percentage, rate, or ratio.

DEVELOPMENT GUIDES

Outcomes are the ultimate results, or impacts, of government action or policy. Progress is assessed by comparing outcomes to objectives through the use of measures. Outcome measures are expressed in a quantifiable form and indicate the degree to which an agency is achieving its objectives. An outcome measure indicates the change or difference the agency's action will have on the particular target group or issue area indicated in the objective. While outcome measures seek to record the ultimate or final impact of agency actions, they may also reflect intermediary impacts. An outcome measure should be directly related to the objective it is measuring; there should be at least one outcome measure for each objective. Outcome measures should be clear and easily understood by those who are unfamiliar with the agency.

Outcome measures should be developed by the agency and provided in the Strategic Plan with performance projections for each year of the five-year period, as shown in Appendix M.

The following questions should be addressed as outcome measures are developed:

1. Is the outcome measure relevant? Is it logically and directly related to the agency goal and objective?
2. Is the outcome measure reliable? Does it produce accurate and verifiable information over the time frame set by the objective?
3. Is the outcome measure valid? Does it capture what the agency intends to measure?
4. Is the measure of sufficient value to justify the cost of producing the necessary data? In the case of excessive costs, could sampling techniques or other, more cost-effective, alternatives be used to collect the data?
5. If the information is not currently available, can a proxy measure be substituted until a data base is available?
6. Will the outcome measure enable a decision to be made or lead to a valid conclusion concerning the agency's action?
7. Is this measure subject to interstate or other comparisons? To the extent that it is, what additional information must be developed (e.g., explanatory measures) to properly interpret it?

The differences between outcome measures and output measures are demonstrated by the following examples:

1. The number of patients treated and discharged from a state mental hospital (output measure) is not the same as the percentage of discharged patients who are capable of living independently (outcome measure).
2. The number of vaccinations given (output measure) is not an indicator of the incidence of the disease (outcome measure).

EXAMPLE OF OBJECTIVES AND OUTCOME MEASURES FOR A HYPOTHETICAL AGENCY

(1) To reduce levels of criteria air pollutants to attain federal standards by 2011 [relates to Goal 1 on page 23]

Percentage of Texans Living Where the Air Meets Ambient Air Quality Standards

Number of Days in Which Air Pollutants Are within Federal Air Quality Standards

(2) To reduce air toxic emissions by 50 percent between 2007 and 2011 [relates to Goal 1 on page 23]

Percentage Reduction of Toxic Chemical Discharges into the Environment from 2007 Levels

Percentage of Federal/EPA Nonattainment Area Deadlines with Which Texas Has Complied

STRATEGIES

DEFINITION

STRATEGIES

Methods to achieve goals and objectives. Formulated from goals and objectives, a strategy is the means for transforming inputs into outputs and, ultimately, outcomes with the best use of resources. A strategy reflects budgetary and other resources.

DEVELOPMENT GUIDES

Strategies are specific courses of action that will be undertaken by the agency to accomplish its goals and objectives. While an objective indicates what the agency plans to achieve, a strategy indicates how the particular objective will be achieved. Strategies are action-oriented rather than procedural in nature and are directly linked to output measures.

To develop strategies, the agency determines how best to achieve the results intended by the specific objective. This determination should include benchmarking agency practices against those of other organizations. More than one strategy may be required to accomplish each objective. In selecting strategies, the costs, benefits, and anticipated consequences of alternative courses of action must be evaluated by the agency. Strategies may, and probably will, cross program, activity, or division lines.

Strategies must be easily understood by the public. They are shown in the Strategic Plan under each objective in approximate priority order.

Questions to consider when developing strategies include, but are not limited to, the following:

1. If this strategy is implemented, can we assume that the objective will be reached?
2. What are the anticipated costs and benefits of each strategy?
3. Do we have the authorization to take the action outlined in each strategy? Is it legal and practical?
4. Does this strategy directly support or affect any statewide benchmarks? If so, what is the nature and extent of such relationships? What measures, analyses, or other data document the relationships?

OUTPUT MEASURES

DEFINITION

OUTPUT MEASURES

Tools, or indicators, to count the services and goods produced by an agency. The number of people receiving a service and the number of services delivered are often used as measures of output.

DEVELOPMENT GUIDES

Outputs are the goods and services produced by an agency. Output measures are used to track performance of the agency in implementing its strategies and to evaluate the efficiency of the implementation of the Strategic Plan. In developing and selecting key output measures, the following questions should be addressed:

1. Is the output measure reliable? Will it consistently measure the same thing and produce accurate and verifiable information over a period of time? Will the data used in the measure be available on a continuing basis?
2. Is the output measure directly related to the agency's strategies?
3. Does the output measure show the quantity of work performed? Can the measure be stated in unit cost terms?
4. Is the output measure clear? Are the terms used generally accepted and defined? Will the measure be easily understood by those who are not familiar with the subject matter?

Output measures should be developed by the agency and provided as indicated in the following example:

EXAMPLE OF STRATEGIES AND OUTPUT MEASURES FOR A HYPOTHETICAL AGENCY

(1) Implement EPA's post-1990 ozone policy and expand monitoring network to monitor progress

Number of Facilities Inspected

Number of On-site Monitors

(2) Research, develop, and implement a comprehensive Air Toxic Program

Number of Toxic Sites Undergoing Emissions Inventory during Year

EFFICIENCY MEASURES

DEFINITION

EFFICIENCY MEASURES

Indicators that quantify an agency's cost, unit cost, or productivity associated with a given outcome or output. Efficiency measures are generally expressed in unit costs, units of time, or other ratio-based units.

DEVELOPMENT GUIDES

Efficiency measures are expressed in a quantifiable form and indicate an agency's operational efficiency as measured by a comparison of the cost, unit cost, or time associated with producing a desired outcome or output.

The following questions should be addressed in developing efficiency measures:

1. Is the efficiency measure valid? Does it capture the information intended? Does it quantify significant efficiency aspects of agency operations?
2. Is the efficiency measure reliable? Will it produce accurate and verifiable information over a period of time? Will the data used to calculate the measure be available on a continuing basis?
3. Is the measure responsive? Will it reflect changes in levels of performance?
4. Does the measure produce relevant information that will justify the cost of collecting and retaining the data?
5. Are the terms used to describe the measure generally accepted and defined? Will those who are unfamiliar with the subject be able to easily understand the measure?

Efficiency measures should be developed by the agency and provided as indicated in the following example:

EXAMPLE OF STRATEGIES AND EFFICIENCY MEASURES FOR A HYPOTHETICAL AGENCY

(1) Implement EPA's post-1990 ozone policy and expand monitoring network to monitor progress [relates to Objective 1 on page 24]

Average Number of Days to Complete Facility Inspection

Average Cost per On-site Monitor

(2) Research, develop, and implement a comprehensive Air Toxic Program

Average Number of Days to Complete Toxic Site Emissions Inventory

Average Cost per Toxic Site Emissions Inventory

EXPLANATORY MEASURES

DEFINITION

EXPLANATORY MEASURES

Quantitative indicators that provide additional information that contributes to the understanding of an agency's operating environment.

DEVELOPMENT GUIDES

Whereas agency external/internal assessments contain narrative explanatory information, explanatory measures are specific quantitative indicators that can help users understand other reported measures, assess the entity's performance, and evaluate the significance of underlying factors that may have affected the reported performance, including the unintended effects of a service. Input measures are a subset of explanatory measures.

There are two primary types of quantitative explanatory information that can be reported as explanatory measures. These include factors substantially outside the control of the agency, such as environmental and demographic characteristics, and factors over which the agency has some control, such as caseloads.

The following questions should be addressed in developing explanatory measures:

1. Is the measure valid? Does it capture the information intended? Does it quantify significant external/internal aspects of agency operations?
2. Is the explanatory measure reliable? Will it produce accurate and verifiable information over a period of time? Will the data used to calculate the measure be available on a continuing basis?
3. Does the measure produce information that will justify the cost of collecting and retaining it?
4. Is the measure clear? Are the terms used to describe the measure generally accepted and defined? Will those who are unfamiliar with the subject be able to understand the measure?

EXAMPLE OF STRATEGIES AND EXPLANATORY MEASURES FOR A HYPOTHETICAL AGENCY

(1) Implement EPA's post-1990 ozone policy and expand monitoring network to monitor progress

Number of EPA-required Monitoring Sites

Number of Texas Cities Containing EPA-required Monitoring Sites

(2) Research, develop, and implement a comprehensive Air Toxic Program

Number of Industrial Facilities Subject to Inspection

Number of Industrial Facilities Eligible for Participation

Number of Complaints Received by the Agency

ACTION PLANS

DEFINITION

ACTION PLANS

Detailed methods specifying how a strategy is to be implemented. Task specification includes staff assignments, material resource allocation, and schedules for completion. Action plans separate strategies into manageable parts for coordinated implementation of goals and objectives. Action plans also specify detailed cost and expenditure information.

Action plans provide a detailed description of a strategy's implementation process by outlining the specific tasks, responsibility assignments, and time frames that will be followed. Often referred to as "operational plans" or "implementation plans," action plans are maintained by the agency and are not submitted in the Strategic Plan.

Whereas the Strategic Plan is an effective control mechanism for strategic management of an agency, action plans provide a basis for managing an agency's day-to-day operations. During the strategic planning process, there should be a clear distinction made between the different kinds of decisions (e.g., external vs. internal) and the different kinds of internal management decisions based on performance data.

Performance measures included in the Strategic Plan should provide data that are consistent with the original purpose of the system, that is, an accountability and external decision-making tool (e.g., for system/program evaluation and appropriations/budget analysis by the Governor and legislative agencies). Governing bodies and executive directors/commissioners/senior management may use this information to "manage" strategically, track progress in implementing agency Strategic Plans, and for budget development. These measures are typically "higher order" outcome, output, explanatory, and in some cases, efficiency measures.

Performance measures included in action plans should provide information that supports operational, day-to-day management purposes. This includes information usage that, while it may overlap strategic and external uses, is really more related to measures developed and used in internal decision-making and control activities (e.g., those associated with the action plan elements in the Texas Strategic Planning template). These measures are typically "lower level" (i.e., disaggregated outcome, output, and efficiency measures).

DEVELOPMENT GUIDES

The agency's action plans are input-oriented and include specific delineations of who does the required tasks for each strategy and when the tasks will be completed. They generally address a shorter time frame (two years or less) for action than the Strategic Plan. Action plans include a description of each task, the resource and fiscal requirements of each task, and an identification of the agency division responsible for implementation. They may also include a description of re-engineering or other programmatic changes resulting from an agency's benchmarking activities. Although this level of detail is not an element of the agency's Strategic Plan submitted to the Governor and the Legislature, it should be available for evaluation of the strategies proposed by the agency.

Action plans should be developed by the agency; however, no specific format is required.

APPENDIX A

PATHWAY TO PROSPERITY

THE STATEWIDE STRATEGIC PLANNING ELEMENTS FOR TEXAS STATE GOVERNMENT

March 2006

Fellow Public Servants:

The old adage remains true: If you fail to plan, you plan to fail. We must plan for prosperity. Strategic planning is critical to ensuring a future of opportunity and prosperity. We must always be willing to critically reexamine the role of Texas State Government and the efficiency of its operations. This document specifies our mission and priorities, reflects my philosophy of limited government and my belief in personal responsibility, and it is to be used as your agencies prepare their Strategic Plans. While the role of government must remain limited, governmental endeavors must be done with maximum efficiency and fairness. Our endeavors must always have an eye first for the needs of our clients – the people of Texas.

Throughout the strategic planning process and the next legislative session, policymakers will endeavor to address our state's priorities and agencies will be asked to provide great detail about their operations. I encourage you to provide not only open and complete information but also your innovative ideas about how better to deliver government services.

Working together, I know we can accomplish our mission and address the priorities of the people of Texas. My administration is dedicated to creating greater opportunity and prosperity for our citizens, and to accomplish that mission, I am focused on the following critical priorities:

> *Assuring open access to an educational system that not only guarantees the basic core knowledge necessary for productive citizens but also emphasizes excellence and accountability in all academic and intellectual undertakings;*
>
> *Creating and retaining job opportunities and building a stronger economy that will lead to more prosperity for our people and a stable source of funding for core priorities;*
>
> *Protecting and preserving the health, safety, and well-being of our citizens by ensuring healthcare is accessible and affordable and by safeguarding our neighborhoods and communities from those who intend us harm; and*
>
> *Providing disciplined, principled government that invests public funds wisely and efficiently.*

I appreciate your commitment to excellence in public service.

RICK PERRY

THE MISSION OF TEXAS STATE GOVERNMENT

TEXAS STATE GOVERNMENT MUST BE LIMITED, EFFICIENT, AND COMPLETELY ACCOUNTABLE. IT SHOULD FOSTER OPPORTUNITY AND ECONOMIC PROSPERITY, FOCUS ON CRITICAL PRIORITIES, AND SUPPORT THE CREATION OF STRONG FAMILY ENVIRONMENTS FOR OUR CHILDREN. THE STEWARDS OF THE PUBLIC TRUST MUST BE MEN AND WOMEN WHO ADMINISTER STATE GOVERNMENT IN A FAIR, JUST, AND RESPONSIBLE MANNER. TO HONOR THE PUBLIC TRUST, STATE OFFICIALS MUST SEEK NEW AND INNOVATIVE WAYS TO MEET STATE GOVERNMENT PRIORITIES IN A FISCALLY RESPONSIBLE MANNER.

AIM HIGH . . .WE ARE NOT HERE TO ACHIEVE INCONSEQUENTIAL THINGS!

THE PHILOSOPHY OF TEXAS STATE GOVERNMENT

The task before all state public servants is to govern in a manner worthy of this great state. We are a great enterprise, and as an enterprise we will promote the following core principles:

- First and foremost, Texas matters most. This is the overarching, guiding principle by which we will make decisions. Our state, and its future, is more important than party, politics, or individual recognition.
- Government should be limited in size and mission, but it must be highly effective in performing the tasks it undertakes.
- Decisions affecting individual Texans, in most instances, are best made by those individuals, their families, and the local government closest to their communities.
- Competition is the greatest incentive for achievement and excellence. It inspires ingenuity and requires individuals to set their sights high. Just as competition inspires excellence, a sense of personal responsibility drives individual citizens to do more for their future and the future of those they love.
- Public administration must be open and honest, pursuing the high road rather than the expedient course. We must be accountable to taxpayers for our actions.
- State government has a responsibility to safeguard taxpayer dollars by eliminating waste and abuse, and providing efficient and honest government.

Finally, state government should be humble, recognizing that all its power and authority is granted to it by the people of Texas, and those who make decisions wielding the power of the state should exercise their authority cautiously and fairly.

EDUCATION – PUBLIC SCHOOLS

PRIORITY GOAL

TO ENSURE THAT ALL STUDENTS IN THE PUBLIC EDUCATION SYSTEM ACQUIRE THE KNOWLEDGE AND SKILLS TO BE RESPONSIBLE AND INDEPENDENT TEXANS BY:

- **ENSURING STUDENTS GRADUATE FROM HIGH SCHOOL AND ARE READY FOR COLLEGE, A TWO-YEAR INSTITUTION, OTHER POST-SECONDARY TRAINING, OR THE WORKFORCE;**
- **CONTINUING TO DEVELOP READING, MATH, AND SCIENCE SKILLS AT APPROPRIATE GRADE LEVEL THROUGH GRADUATION; AND**
- **DEMONSTRATING EXEMPLARY PERFORMANCE IN FOUNDATION SUBJECTS.**

BENCHMARKS

- High school graduation rate
- Percent of graduates earning recommended high school diploma
- Percent of graduates earning distinguished achievement diploma
- Percent of recent high school graduates enrolled in a Texas college or university
- Percent of high school graduates employed or receiving other post-secondary training
- Percent of students who demonstrate satisfactory performance on the Texas Assessment of Knowledge and Skills (TAKS)
- Percent of students earning commended performance on TAKS (90 percent of test items answered correctly)
- Percent of students who attend schools or districts rated as recognized or exemplary
- Percent of higher education freshmen from Texas high schools not in need of remediation
- Percent of eligible juniors and seniors taking Advanced Placement/International Baccalaureate exams
- Percent of students from third grade and above who are able to read at or above grade level
- Percent of students from third grade and above who perform at or above grade level in math
- Percent of students who achieve mastery of the foundation subjects of reading, English language arts, math, social studies, and science
- Number of students served under local governance or choice options (e.g., charter schools, open-enrollment charters, home-rule districts, intra-district transfers, etc.)
- Number of teachers certified through alternative programs
- Number of pre-kindergarten age students served through Texas Early Education Model

EDUCATION – HIGHER EDUCATION

PRIORITY GOAL

TO PREPARE INDIVIDUALS FOR A CHANGING ECONOMY AND WORKFORCE BY:

- **PROVIDING AN AFFORDABLE, ACCESSIBLE, AND QUALITY SYSTEM OF HIGHER EDUCATION; AND**
- **FURTHERING THE DEVELOPMENT AND APPLICATION OF KNOWLEDGE THROUGH TEACHING, RESEARCH, AND COMMERCIALIZATION.**

BENCHMARKS

- Percent of recent high school graduates enrolled in a Texas college or university
- Percent of first-time, full-time freshmen returning after one academic year
- Percent of first-time, full-time freshmen who graduate within four years
- Percent of first-time, full-time freshmen who graduate within six years
- Percent of two-year college students who transfer to four-year institutions
- Percent of two-year transfer students who graduate from four-year institutions
- Percent decrease in number of students requiring developmental education
- Percent of population age 24 years and older with vocational/technical certificate as highest level of educational attainment
- Percent of population age 24 years and older with two-year college degree as highest level of educational attainment
- Percent of population age 24 years and older with four-year college degree as highest level of educational attainment
- Number of baccalaureate graduates in science, technology, engineering, and mathematics
- Percent of M.D. graduates remaining in Texas for residency
- Percent of nursing graduates employed or enrolled in nursing graduate programs in Texas
- Texas public colleges and universities cost per student as a percentage of the national average
- Percent change in average tuition over past biennium
- Number of students receiving grants from the TEXAS grants programs
- Percent of total federal research and development expenditures received by Texas institutions of higher education
- Percent increase in research and development expenditures in emerging technologies over previous biennium
- Number of patents obtained in emerging technologies
- Number of patents obtained by institutions of higher education that are commercialized

HEALTH AND HUMAN SERVICES

PRIORITY GOAL

TO PROMOTE THE HEALTH, RESPONSIBILITY, AND SELF-SUFFICIENCY OF INDIVIDUALS AND FAMILIES BY:

- **PROVIDING PUBLIC ASSISTANCE FOR THOSE MOST IN NEED THROUGH AN EFFICIENT AND EFFECTIVE SYSTEM; AND**
- **CREATING PARTNERSHIPS WITH LOCAL COMMUNITIES, ADVOCACY GROUPS, AND THE PRIVATE AND NOT-FOR-PROFIT SECTORS.**

BENCHMARKS

- Percent of Texas population enrolled in Medicaid
- Average amount recovered and saved per completed Medicaid provider investigation
- Percent of long-term care clients served in the community
- Percent of eligible children enrolled in CHIP
- Percent of population under age 3 years served by the Early Childhood Intervention Program
- Percent of Texans receiving TANF cash assistance
- Percent of adult welfare participants in job training who enter employment
- Percent of Texas population receiving food stamps
- Number of Texans using call centers to apply for Medicaid, food stamps, and other state services
- Percent of Texas children in kindergarten who are completely immunized according to school immunization requirements
- Infant mortality rate
- Low birth-weight rate
- Teen pregnancy rate
- Percent of births that are out-of-wedlock
- Average daily caseload for Child Protective Services
- Average daily caseload for Adult Protective Services
- Incidence of confirmed cases of abuse, neglect, or death of children, the elderly, or spouses per 1,000 population
- Percent of children in foster care who are adopted or reunited with their families
- Percent of parents awarded child support payments who receive them
- Rate of substance abuse and alcoholism among Texans
- Number of methamphetamine prevention/awareness programs related to methamphetamine production and child welfare conducted by the Texas Department of State Health Services
- Percent of people completing vocational rehabilitation services and remaining employed

ECONOMIC DEVELOPMENT

PRIORITY GOAL

TO PROVIDE AN ATTRACTIVE ECONOMIC CLIMATE FOR CURRENT AND EMERGING INDUSTRIES THAT FOSTERS ECONOMIC OPPORTUNITY, JOB CREATION, CAPITAL INVESTMENT, AND INFRASTRUCTURE DEVELOPMENT BY:

- **PROMOTING A FAVORABLE AND FAIR SYSTEM TO FUND NECESSARY STATE SERVICES;**
- **ADDRESSING TRANSPORTATION AND HOUSING NEEDS; AND**
- **DEVELOPING A WELL TRAINED, EDUCATED, AND PRODUCTIVE WORKFORCE.**

BENCHMARKS

- Number of new jobs announced as a result of the Texas Enterprise Fund
- Amount of capital investment made in Texas as a result of grants provided through the Texas Enterprise Fund
- Number of employees in targeted industry sectors
- Number of new small businesses created
- Number of new non-government, non-farm jobs created
- Number of emerging technology research commercialization grants awarded
- Number of emerging technology research matching grants awarded
- Number of nationally and internationally recognized researchers recruited to Texas public institutions of higher education as a result of emerging technology research superiority grants
- Per capita gross state product
- State and local taxes as a percent of personal income
- Texas unemployment rate
- Median household income
- Percent of state highway system rated good or better based on the Pavement Management Information System Condition Score
- Number of lane miles contracted to increase capacity
- Number of Texans receiving job training services

PUBLIC SAFETY AND CRIMINAL JUSTICE

PRIORITY GOAL

TO PROTECT TEXANS BY:

- **ENFORCING LAWS QUICKLY AND FAIRLY;**
- **MAINTAINING STATE AND LOCAL EMERGENCY, TERRORISM, AND DISASTER PREPAREDNESS AND RESPONSE PLANS;**
- **POLICING PUBLIC HIGHWAYS; AND**
- **CONFINING, SUPERVISING, AND REHABILITATING OFFENDERS.**

BENCHMARKS

- Percent of Texas communities covered by current emergency and disaster prevention/recovery plans
- Percent of state's population whose local officials and emergency responders have completed a terrorism training/exercise program
- Percent of the state's population whose local officials and emergency responders have prepared a terrorism incident response annex to their emergency management plan
- Number of workdays Texas National Guard members spent in training and/or protecting and aiding Texans in times of need
- Funding awarded to border sheriffs for protection between ports of entry along the Texas–Mexico border
- Kilograms of drugs seized along the Texas–Mexico border
- Juvenile violent crime arrest rate per 100,000 population
- Adult violent crime arrest rate per 100,000 population
- Average rate of juvenile re-incarceration within three years of initial release
- Average rate of adult re-incarceration within three years of initial release
- Felony probation revocation rate
- Revocation rate for those released from prison with new offenses
- Average annual incarceration cost per inmate
- Methamphetamine lab seizures by law enforcement in Texas
- Number of traffic deaths per 100,000 population
- Number of traffic deaths per 100,000 population involving alcohol
- Number of driver's licenses suspended for safety reasons
- Percent reduction in recidivism after completing two years of a drug court sentence
- Percent of citizens responding to jury duty of those called to jury duty
- Percent of drivers carrying liability insurance
- Attrition rate for state judges

NATURAL RESOURCES AND AGRICULTURE

PRIORITY GOAL

TO CONSERVE AND PROTECT OUR STATE'S NATURAL RESOURCES (AIR, WATER, LAND, WILDLIFE, AND MINERAL RESOURCES) BY:

- **PROVIDING LEADERSHIP AND POLICY GUIDANCE FOR STATE, FEDERAL, AND LOCAL INITIATIVES; AND**
- **ENCOURAGING RESPONSIBLE, SUSTAINABLE ECONOMIC DEVELOPMENT.**

BENCHMARKS

- Percent of nitrogen oxide and criteria pollutants reduced in the air
- Amount of desalinated brackish and ocean water for Texas
- Percent of water conservation through decreased water usage, increased water reuse, and brush control
- Percent of Texas waters that meet or exceed safe water quality standards
- Percent of polluted site clean-ups to protect the environment and public health
- Percent of regulatory permits processed while ensuring appropriate public input
- Percent of environmental violations tracked and reported
- Percent of land that is preserved and accessible through continuation of public and private natural and wildlife areas
- Percent of renewable energy usage and production of domestic fuel sources
- Percent of implemented new technologies that provide efficient, effective, and value-added solutions for a balanced Texas ecosystem

REGULATORY

PRIORITY GOAL

TO ENSURE TEXANS ARE EFFECTIVELY AND EFFICIENTLY SERVED BY HIGH-QUALITY PROFESSIONALS AND BUSINESSES BY:

- **IMPLEMENTING CLEAR STANDARDS;**
- **ENSURING COMPLIANCE;**
- **ESTABLISHING MARKET-BASED SOLUTIONS; AND**
- **REDUCING THE REGULATORY BURDEN ON PEOPLE AND BUSINESS.**

BENCHMARKS

- Average annual homeowners and automobile insurance premiums as a percent of the national average
- Number of new homes registered with the Texas Residential Construction Commission
- Percent of state professional licensee population with no documented violations
- Percent of new professional licensees as compared to the existing population
- Percent of documented complaints to professional licensing agencies resolved within six months
- Number of utilization reviews conducted for treatment of occupational injuries
- Percent of individuals given a test for professional licensure who received a passing score
- Percent of new and renewed professional licenses issued via Internet
- Ratio of supply of electricity generation capacity to demand
- Percent of state financial institutions and credit providers rated "safe and sound" and/or in compliance with state requirements
- Number of new business permits issued online
- Percent increase in utilization of the state business portal

GENERAL GOVERNMENT

PRIORITY GOAL

TO PROVIDE CITIZENS WITH GREATER ACCESS TO GOVERNMENT SERVICES WHILE REDUCING SERVICE DELIVERY COSTS AND PROTECTING THE FISCAL RESOURCES FOR CURRENT AND FUTURE TAXPAYERS BY:

- **SUPPORTING EFFECTIVE, EFFICIENT, AND ACCOUNTABLE STATE GOVERNMENT OPERATIONS;**
- **ENSURING THE STATE'S BONDS ATTAIN THE HIGHEST POSSIBLE BOND RATING; AND**
- **CONSERVATIVELY MANAGING THE STATE'S DEBT.**

BENCHMARKS

- Total state taxes per capita
- Total state spending per capita
- Percent change in state spending, adjusted for population and inflation
- State and local taxes per capita
- Ratio of federal dollars received to federal tax dollars paid
- Number of state employees per 10,000 population
- Number of state services accessible by Internet
- Savings realized in state spending by making reports/documents/processes available on the Internet
- Funded ratio of statewide pension funds
- Texas general obligation bond ratings
- Issuance cost per $1,000 in general obligation debt
- Texas Housing Affordability Index

APPENDIX B. STRATEGIC PLAN SUBMISSION DUE DATES

JUNE 23, 2006

Adjutant General's Department

Office of Administrative Hearings

Animal Health Commission

Commission on the Arts

Department of Banking

Cancer Council

Board of Chiropractic Examiners

Office of Consumer Credit Commissioner

Credit Union Department

Board of Dental Examiners

Commission on State Emergency Communications

Ethics Commission

Fire Fighters' Pension Commission

Commission on Fire Protection

Funeral Service Commission

Board of Professional Geoscientists

Health Professions Council

Higher Education Coordinating Board

Commission on Jail Standards

Juvenile Probation Commission

Board of Professional Land Surveying

Commission on Law Enforcement Officer Standards and Education

Texas Medical Board

Military Facilities Commission

Board of Nurse Examiners

Optometry Board

Structural Pest Control Board

Board of Pharmacy

Executive Council of Physical Therapy and Occupational Therapy Examiners

Board of Plumbing Examiners

Board of Podiatric Medical Examiners

Board of Examiners of Psychologists

Residential Construction Commission

Board of Tax Professional Examiners

Veterans Commission

Board of Veterinary Medical Examiners

JULY 7, 2006

Department of Aging and Disability Services

Department of Agriculture

Alcoholic Beverage Commission

Department of Assistive and Rehabilitative Services

Office of the Attorney General

School for the Blind and Visually Impaired

Bond Review Board

Building and Procurement Commission

Comptroller of Public Accounts

Department of Criminal Justice

School for the Deaf

Texas Education Agency

Employees Retirement System

Commission on Environmental Quality

Department of Family and Protective Services

General Land Office

Health and Human Services Commission

Department of State Health Services

Agencies and Institutions of Higher Education (Information Resources Strategic Plan only)

Historical Commission

Department of Housing and Community Affairs

Department of Information Resources

Office of Injured Employee Counsel

Department of Insurance

Library and Archives Commission

Department of Licensing and Regulation

Lottery Commission

Parks and Wildlife Department

Pension Review Board

State Preservation Board

Department of Family and Protective Services

Public Finance Authority

Department of Public Safety

Racing Commission

Railroad Commission

Real Estate Commission/Appraiser Licensing

Office of Risk Management

Office of Rural Community Affairs

Department of Savings and Mortgage Lending

Secretary of State

Securities Board

Soil and Water Conservation Board

Office of State-Federal Relations

Teacher Retirement System

Department of Transportation

Public Utility Commission

Office of Public Utility Counsel

Water Development Board

Workforce Commission

Youth Commission

APPENDIX C. FORMAT FOR REQUESTING CHANGE(S) TO AGENCY BUDGET STRUCTURES

**REQUESTED CHANGE(S) TO AGENCY BUDGET STRUCTURE ELEMENTS
(GOALS, STRATEGIES, MEASURES, AND MEASURE DEFINITIONS[1])
FOR THE 2008-09 BIENNIUM**

AGENCY NAME: ____

ELEMENT Identify current goal, strategy, measure, or measure definition[2]	**REQUESTED CHANGE(S)** Indicate requested change using strike-through to delete text and underscore to add text.	**JUSTIFICATION FOR REQUESTED CHANGE(S)** **Indicate reason for proposed change**

[1]This information must be submitted to the Governor's Office of Budget, Planning and Policy and the Legislative Budget Board no later than April 7, 2006.

[2]Measure definitions must include all eight prescribed categories of information (i.e., short definition; purpose/importance; source/collection of data; method of calculation; data limitations; calculation type; new measure; desired performance).

APPENDIX D. GLOSSARY OF TERMS

ACTION PLANS

Detailed methods of specifying how a strategy is implemented. Task specification includes staff assignments, material resource allocations, and schedules for completion. Action plans separate strategies into manageable parts for coordinated implementation of goals and objectives. Action plans specify detailed cost and expenditure information and are often referred to as "operational plans" or "implementation plans."

AGENCY GOALS

The general ends toward which agencies direct their efforts. A goal addresses issues by stating policy intention. Goals are both qualitative and quantifiable, but not quantified. In a strategic planning system, goals are ranked for priority. Goals stretch and challenge an agency, but they are realistic and achievable.

AGENCY MISSION

The reason for an agency's existence. It succinctly identifies what the agency does, why, and for whom. A mission statement reminds everyone—the public, the Governor, legislators, the courts, and agency personnel—of the unique purposes promoted and served by the agency.

AGENCY PHILOSOPHY

The expression of core values and operating principles for the conduct of the agency in carrying out its mission. It describes how the agency conducts itself as it does its work.

BENCHMARK

Benchmark is the quantified standard against which achievement of a stated goal, objective, or strategy can be measured. It is a tool for gauging "added value" performance that benefits the customer/stakeholder or progress toward achieving increased productivity and strategic efficiency.

BENCHMARKING PROCESS

An integral part of the external and internal assessment conducted during the strategic planning process. It is an iterative method of identifying, analyzing, and emulating the standards and best practices of external organizations that achieve a high degree of productivity or innovative success in program and service changes to internally managed processes. It helps define any needed improvements to individual subfunctions within an organization.

BUDGET STRUCTURE

The framework used by an agency in preparing its request for legislative appropriations. The budget structure usually consists of goals, strategies, measures, measure definitions, and other items of appropriation included in the agency's strategic plan. Only elements in an approved budget structure may be used by an agency as items in its request for appropriations.

CAPITAL IMPROVEMENTS

Building or infrastructure projects that will be owned by the state and built with direct appropriations or with the proceeds of state-issued bonds.

CUSTOMER COMPACT

An agreement made with the customers of an agency or institution to provide services that follow a predetermined set of guiding principles. It sets forth the rights of the customer and defines the standards that customers should expect.

EFFICIENCY MEASURES

Indicators of the input resources required to produce a given level of output. They measure resource cost in dollars, employee time, or equipment used per unit of product or service output. An efficiency measure relates agency efforts to agency outputs. Indicators of average cost and average time normally serve as efficiency measures for agency processes, but they may also serve as outcome measures when cost-per-unit-of-outcome is the focus and can be meaningfully captured.

EXPLANATORY MEASURES

Provide information that can help users to assess the significance of performance reported on other types of measures. An agency may have limited or no control over factors addressed by explanatory measures, including environmental or demographic characteristics related to agency target populations. A major use of this type of measure is to describe the level of customer demand or public need for an agency's products and services. Explanatory measures also may focus on variables over which an agency has significant control, such as staffing patterns for specific functions.

EXTERNAL/INTERNAL ASSESSMENT
An evaluation of key factors that influence an agency's success in achieving its mission and goals. Detailed evaluation of trends, conditions, opportunities, and obstacles directs the development of each element of the Strategic Plan. This type of assessment should be heavily quantitative. Key external factors may include economic conditions, population shifts, technological advances, geographical changes, and/or statutory changes. Key internal factors include management policies, resource constraints, organizational structure, automation, personnel, and operational procedures.

HUB
HUB refers to a historically underutilized business that is a corporation, sole proprietorship, partnership, joint venture, or supplier contract formed for the purpose of making a profit in which at least 51 percent of all classes of the shares of stock or other equitable securities are owned by one or more persons who (1) are socially disadvantaged because of their identification as members of certain groups, including African Americans, Hispanic Americans, women, Asian Pacific Americans, and Native Americans, and have suffered the effects of discriminatory practices or similar insidious circumstances over which they have no control; and (2) have a proportionate interest and demonstrate active participation in the control, operation, and management of the business entity's affairs.

INDIRECT ADMINISTRATION
Indirect administration refers to administrative and support costs or expenditure requirements not directly attributable to the implementation of specific goals, objectives, and strategies, or the achievement of performance targets.

INPUTS
The resources, including human, financial, facility, or material, that an agency uses to produce services.

MANAGEMENT GOALS
Management goals reflect agency or institution management approaches in its overall administration. They may encompass activities and management approaches such as Total Quality Management training, customer service initiatives, and other managerial techniques that support greater efficiency and effectiveness in short-term or long-term operations. A management goal and sub-elements frequently may be nonbudgetary in nature, that is, not included as a distinct and separate item in the appropriations request. It may have measures associated with successful implementation or accomplishments that remain internal to the agency and are not reported on a routine basis to oversight entities.

NONBUDGETARY ELEMENTS
A strategic planning goal, objective, or strategy created to convey a tangible agency activity or service that is not separately and directly funded. They cannot be solely policy-related or philosophical statements. Nonbudgetary elements are not included as a distinct and separate item in the agency's appropriations request and may have measures that remain internal to the agency and are not routinely reported to oversight entities.

OBJECTIVES
Clear targets for specific action. They mark interim steps toward achieving an agency's long-range mission and goals. Linked directly to agency goals, objectives are measurable, time-based statements of intent. They emphasize the results of agency actions at the end of a specific time.

OUTCOME MEASURES
Indicators of the actual impact or effect on a stated condition or problem. They are tools to assess the effectiveness of an agency's performance and the public benefit derived therefrom. An outcome measure is typically expressed as a percentage, rate, or ratio.

OUTPUT MEASURES

Tools, or indicators, to count the services and goods produced by an agency. The number of people receiving a service and the number of services delivered are often used as measures of output.

STATE AGENCIES

State agencies covered by strategic planning requirements are departments, commissions, boards, offices, or other agencies within the executive branch of state government. Such state agencies are created by statute or constitutional provision and have statewide jurisdiction. They possess administrative authority and resources independently of other state agencies. Entities created with the primary purpose of advising a state agency are specifically excluded from this definition.

STATEWIDE GOALS

The general ends toward which the state directs its efforts. Statewide goals address the primary issues facing the state within broad groupings of interrelated state concerns. Statewide goals are founded on the statewide vision and may involve coordination among several agencies with similar functions.

STRATEGIC PLANNING

A long-term, future-oriented process of assessment, goal setting, and decision-making that maps an explicit path between the present and a vision of the future; that relies on careful consideration of an organization's capabilities and environment; and that leads to priority-based resource allocation and other decisions.

STRATEGIES

Methods to achieve goals and objectives. Formulated from goals and objectives, a strategy is the means for transforming inputs into outputs and, ultimately, outcomes, with the best use of resources. A strategy reflects budgetary and other resources.

SURVEY OF ORGANIZATIONAL EXCELLENCE

A survey instrument developed by The University of Texas at Austin School of Social Work to assess how employees view their organization, work, and relationships within the organization's environment and their overall satisfaction in their workplace.

VISION

An inspiring picture of a preferred future. A vision is not bound by time, represents global and continuing purposes, and serves as a foundation for a system of strategic planning. A statewide vision depicts an ideal future for the people of Texas and the contributions that state government can make to that end.

APPENDIX E. EXAMPLE OF HISTORICALLY UNDERUTILIZED BUSINESS PLANNING ELEMENTS

A. GOAL

We will establish and implement policies governing purchasing and public works contracting that foster meaningful and substantive inclusion of historically underutilized businesses (HUBs).

A.1. OBJECTIVE

To include historically underutilized businesses in at least __ **percent** of the total value of contracts and subcontracts awarded annually by the agency in purchasing and public works contracting by fiscal year 2007.

OUTCOME MEASURE

Percentage of Total Dollar Value of Purchasing and Public Works Contracts and Subcontracts Awarded to HUBs

A.1.1. STRATEGY

Develop and implement a plan for increasing the use of historically underutilized businesses through purchasing and public works contracts and subcontracts.

OUTPUT MEASURES

1. Number of HUB Contractors and Subcontractors Contacted for Bid Proposals
2. Number of HUB Contracts and Subcontracts Awarded
3. Dollar Value of HUB Contracts and Subcontracts Awarded

APPENDIX F. EXAMPLES OF PRE-SPECIFIED RESPONSES TO USE IN CUSTOMER SERVICE SURVEYS

GENERAL/OVERALL

Overall, I am satisfied with the services I received.

If I had other options, I would still choose to get services from this agency/institution.

Overall, I am satisfied with my experience.

FACILITIES

The location of services was convenient (parking, public transportation, distance, etc.).

The facility where I received services was clean, orderly, and I could easily find my way around in it.

The facility is open during reasonable hours.

STAFF

The staff members were able to answer my questions.

The staff members were courteous.

The staff members were knowledgeable and helpful.

Staff members were knowledgeable and demonstrated a willingness to assist.

Staff members identified themselves or wore a name tag.

COMMUNICATIONS

I received the information I needed to obtain services.

I was given clear explanations about services available to me.

I was given a clear explanation about the materials needed to receive services.

I received the information I needed to obtain services.

My telephone call, e-mail, or letter was routed to the proper person.

INTERNET SITES

I have access to the Internet at home or at work.

I am able to access information about the services I need using the Internet.

The website was easy to use and well organized.

The website contained clear and accurate information on events, services, and contact information.

COMPLAINT HANDLING PROCESS

I know how to make a complaint regarding services at this agency/institution.

If I complained, I believe it would be addressed in a reasonable manner.

TIMELINESS

My telephone, letter, or e-mail inquiry was answered in a reasonable amount of time.

The time I waited to receive services was reasonable.

The time I had to wait for a concern or question to be addressed, whether by phone, in person, or by letter was reasonable.

PRINTED INFORMATION

I have received printed information (such as brochures, handouts, books, etc.) explaining the services available.

The printed information was clear and understandable.

Printed brochures or written material provided thorough and accurate information.

APPENDIX G. PERFORMANCE MEASURE DEFINITIONS

Following are three examples of outcome performance measure definitions prepared using the format discussed on page 14.

EXAMPLE 1

Percentage of Consumers Whose Dependent Living Risk Was Diminished (Department of Assistive and Rehabilitative Services)

SHORT DEFINITION

The percentage of persons provided independent living skills training whose dependence on others is decreased at the end of this training, expressed as a ratio of all persons provided training who were initially identified as being at risk of increased dependency.

PURPOSE/IMPORTANCE

This measure addresses the extent to which services provided by the agency under this strategy enable people who are blind or have severe vision loss to minimize their dependency on others. Services provided depend on individual need and might include training in how to move about safely in the home, neighborhood, and community; counseling to help adjust to vision loss; provision of adaptive devices; and training in preparing meals, handling finances, and maintaining and recording information without vision.

SOURCE/COLLECTION OF DATA

Service personnel in field offices enter into the agency's database all data for the consumers they serve. A record of each consumer is begun at the point an application for services is taken or a referral is received. After assessing the consumer's situation, service personnel note in the consumer's database record whether the individual is at risk of increased dependency on others. At the time the consumer's case is closed, the staff enters a code noting whether or not the consumer's risk for dependent living is diminished as a result of services provided. Consumer coding is presented in a quarterly custom report that extracts information from this database.

METHOD OF CALCULATION

A percentage is obtained by dividing the number of consumers coded as having a diminished dependent living risk at closure by the number of consumers coded as being at risk during the eligibility phase of their rehabilitation process.

DATA LIMITATIONS

The determination of risk of dependence at application and the degree of dependence at closure is based on the judgment of professional staff. A degree of subjectivity is inherent, but the measure is considered to offer reliable information on program results.

CALCULATION TYPE

Noncumulative

NEW MEASURE

No

TARGET ATTAINMENT

Higher than target

EXAMPLE 2

Percentage of Child Protective Service Priority I Reports Initiated within One Day (Department of Family and Protective Services)

SHORT DEFINITION

The number of Child Protective Services (CPS) Priority I reports initiated during the day following the day in which the CPS Priority I report was received, expressed as a percentage of all CPS Priority I reports received during the reporting period. CPS Priority I reports, determined by the current-stage priority, are calls that have met the statutory definition of child abuse/neglect, allege that a child is in life-threatening circumstances, and are assigned for investigation.

PURPOSE/IMPORTANCE

This measure provides an indication of the responsiveness of CPS staff to child abuse/neglect reports that allege a child is in life-threatening circumstances.

SOURCE/COLLECTION OF DATA

Count the total number of Priority I reports during the reporting period and count the number of reports that were designated as Priority I in the intake process and for which an investigation was initiated within one calendar day of being reported to the Department of Family and Protective Services in the reporting period. Data is maintained within the Child and Adult Protective System. To select the universe, start date must be within the reporting period.

METHOD OF CALCULATION

Divide the total number of CPS reports designated as Priority I for which an investigation was initiated within one calendar day by the total number of reports designated as Priority I during the reporting period. To determine the CPS Priority I reports that had an investigation initiated within one calendar day of the report, subtract the date the report was received from the date the investigation was initiated. When calculating the second quarter, third quarter, and fourth quarter, the year-to-date total is recalculated.

DATA LIMITATIONS

Priority I reports have well-defined parameters, but identification of Priority I cases ultimately depends upon the experience and skill of intake personnel.

CALCULATION TYPE

Noncumulative

NEW MEASURE

No

TARGET ATTAINMENT

Higher than target

EXAMPLE 3

Three-year Recidivism Rate (Texas Department of Criminal Justice)

SHORT DEFINITION

Recidivism rate is the percentage of offenders released from the Texas Department of Criminal Justice (TDCJ) Institutional Division (ID) to parole or mandatory supervision who are revoked and/or returned to ID within 36 months of release. The rate is derived from an analysis of a true random sample of releasees for the fiscal year being reported.

PURPOSE/IMPORTANCE

This measure is intended to show the likelihood that offenders released from Texas prisons will return to criminal activity. It is important because successful offender rehabilitation and reintegration into society upon release is a primary agency goal.

SOURCE/COLLECTION OF DATA

Specialized statistical software (e.g., SPSS) is utilized to obtain a true random sample of 1,200 cases from consolidated data files of TDCJ-Institutional Division releases downloaded on a monthly basis from the mainframe computer system. Each case is then researched to determine whether the releasee was revoked and/or returned to ID within three years of release (the exact dates of the three-year follow-up are determined individually for each case in the sample).

METHOD OF CALCULATION

Outcome data is coded and entered into a PC database. SPSS is utilized to analyze the data and determine the total number of releasees in the sample revoked and/or returned to ID within three years of release. The total number is then divided by 1,200 to obtain the three-year recidivism rate.

DATA LIMITATIONS

(1) Many societal and criminal justice factors beyond the agency's control affect the recidivism rate.

(2) Prison admissions data is the traditional basis for recidivism rate calculation, but is subject to influence by the backlogging of state prisoners in county jails; the present measure counts releasees revoked to prison by the Board of Pardons and Paroles as recidivists irrespective of re-admission to ID.

(3) Because no one source is sufficiently complete or accurate to be relied upon exclusively, five different computer system databases must be utilized to conduct the research associated with this measure (Institutional Division–IMF, Parole Division–PSS, Board of Pardons

and Paroles–CAPS, Board of Pardons and Paroles–HSDD, and Department of Public Safety–CCH).

CALCULATION TYPE

Noncumulative

NEW MEASURE

No

TARGET ATTAINMENT

Lower than target

APPENDIX H. WORKFORCE DEVELOPMENT SYSTEM STRATEGIC PLANNING

Chapter 2308.104 and Chapter 2308.1015 of the Texas Government Code provide that the Texas Workforce Investment Council shall develop a single strategic plan for the Texas workforce system. The strategic plan shall include goals, objectives, and performance measures for the workforce development system and for those state agencies that administer workforce programs. Once the Governor approves the strategic plan, each agency administering a workforce program is required to use the strategic plan in developing the agency's operational plan. The Governor approved *Destination 2010: Fiscal Years 2004–09 Strategic Plan for the Texas Workforce Development System* on October 15, 2003. System partner agencies include the Texas Department of Criminal Justice, Texas Education Agency, Texas Health and Human Services Commission, Texas Higher Education Coordinating Board, Texas Workforce Commission, and Texas Youth Commission.

PART 1A.

Indicate each programmatic Long-term Objective that applies to the agency and its workforce programs. Provide specific page numbers where applicable references are found within the agency strategic plan.

FIGURE 6
PART 1A

DESTINATION 2010: FISCAL YEARS 2004-09 STRATEGIC PLAN FOR THE TEXAS WORKFORCE DEVELOPMENT SYSTEM LONG-TERM OBJECTIVES

PROGRAMMATIC LONG-TERM OBJECTIVES

PAGE NUMBER	OBJECTIVE	ID #
	Increase the percentage of adult education students completing the level enrolled from 64 percent to 70 percent by Q4/2007.	CU3.0
	Increase the percentage of adult education students receiving a high school diploma or Certificate of Equivalency (GED) from 56.7 percent to 59 percent by Q4/2009.	CU3.1
	Increase job placements as a result of SCSEP mature worker programs and services from 29 percent by Q4/PY2005 and by 1 percentage point per year (from actual rate of previous PY) through Q4/PY2009.	CU3.2
	Increase academic and future workplace success of youth by increasing the HS graduation and/or certification (GED) rates from 95.5 percent to 96.2 percent by Q4/2009.	CU3.3
	Reduce the percentage of student dropouts from public schools between grades 7 and 12 from 8.6 percent to 6.6 percent by Q4/2007.	CU3.4
	Increase the percentage of exiting secondary students pursuing academic and/or workforce education from 75.3 percent to 76 percent by Q4/2007.	CU3.5
	Increase Texas higher education participation rate to 5.5 percent by Q4/2009.	CU3.6
	Increase the number of certificates, associates and bachelors degrees awarded to 168,000 by Q4/2009.[1]	CU3.7
	Sustain job placements for students exiting post secondary programs at a total annual rate of 85 percent or greater.	CU3.8
	Decrease number of TANF recipients cycling on and off TANF by a rate to be specified.	CU3.9
	Establish a standard for job placement for adult and youthful offenders prior to release by Q4/2004. Increase the percentage of adult offenders placed in jobs prior to release by 5 percent per year (from actual rate of previous year) to Q4/2009. Increase constructive activity rate (placements and other positive outcomes) for youthful offenders by 5 percent per year (from actual rate of previous year) to Q4/2009.	CU4.0
	Increase by 2 percent per year (from actual rate of previous year), the percentage of persons receiving vocational rehabilitation services from HHSC who remain employed after exiting the program.	CU5.0

[1] Includes private/independent institutions of higher education, i.e., a private or independent college or university that is organized under the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes); exempt from taxation under Article VIII, Section 2, of the Texas Constitution and Section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. Section 601); and accredited by a recognized accrediting agency. Currently, there are 44 independent institutions: 39 universities; two junior colleges (two-year); one health-related; and two chiropractic.

PART 1B.

Indicate each system Long-term Objective, as applicable, in which the agency participates. If applicable, provide specific page number references where discussion of these Long-term Objectives are found within the agency strategic plan.

FIGURE 7
PART 1B

DESTINATION 2010: FISCAL YEARS 2004-09 STRATEGIC PLAN FOR THE TEXAS WORKFORCE DEVELOPMENT SYSTEM LONG-TERM OBJECTIVES

SYSTEM LONG-TERM OBJECTIVES

PAGE NUMBER	OBJECTIVE	ID #
	All system partners and associated workforce service providers will participate in the scope and development of a system-wide universal information gateway designed to provide a consistent and universal framework for all system customers and provider information on system projects, services and solutions. System providers and TWDS customers will achieve uniform utilization by Q2/2008.	SI2.0
	Increase system-wide, the number of employers using TWDS products and services, by a percentage growth rate to be determined by Q4/2009.	CU1.0
	Employer Customer Satisfaction level will achieve a 0.1 increase biennially in the combined satisfactory and above satisfactory categories in the Council's System Employer Survey.	CU2.0
	Achieve job growth increases of 18% from 2000 to 2010.	SC1.0
	Develop, approve, fund and implement a strategic alliance business model that targets a minimum of three strategic industry clusters by Q1/2006. These alliances are targeted to industries that hold long-term strategic relevance to the State.	SC2.0
	Expand existing program or create a new program that enables employers to directly, readily and accountably access funds for new hire or incumbent worker training by Q2/2005.	SC3.0
	Design and implement a methodology and system for identifying and assessing employer needs with the first complete assessment and recommendations delivered by Q1/2005.	SC4.0
	Develop system to review workforce education programs and make recommendations to revise or retire them as appropriate to the current and future workforce needs identified in coordination with employers. This system capacity will be operational by 2008.	SC5.0
	Increase the awareness, access rates, participation, and relevance of services to small and midsize businesses throughout the State. The results of these efforts will achieve an increase in usage (to be determined) of TWDS products, services, and solutions by a date to be specified.	SC6.0

PART 2.

Provide a brief narrative description of the activities and programs the agency is implementing or plans to implement within the context of its workforce strategy statement included in *Destination 2010: Fiscal Years 2004–09 Strategic Plan for the Texas Workforce Development System*.

Provide specific information within the narrative regarding the agency's efforts in the following areas:

1. systems/method (e.g., customer satisfaction survey) to ensure accountability to customers (i.e., employers, participants);
2. method(s) for securing and supporting retention of customer (i.e., participant) employment opportunities;
3. capacity for coordinating and sharing information, data, and analyses with other system partners as related to workforce programs, services, and initiatives. This may include for example, planning and implementation of joint data projects, and Memoranda of Understanding.

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APPENDIX J. ECONOMIC AND POPULATION FORECAST

TEXAS AND THE U.S. ECONOMIC AND POPULATION FORECAST
FISCAL YEARS 2002-11
SPRING 2005 FORECAST

CATEGORY	2002	2003	2004	2005	2006*	2007*	2008*	2009*	2010*	2011*
TEXAS										
Gross State Product										
(1996 dollars in billions)	$714.8	$735.9	$770.5	$797.6	$823.2	$849.7	$876.0	$901.6	$931.8	$962.3
Annual percentage change	2.7	3.0	4.7	3.5	3.2	3.2	3.1	2.9	3.3	3.3
Personal Income										
(current dollars in billions)	$627.8	$643.5	$677.6	$716.0	$754.6	$797.1	$846.5	$898.7	$958.6	$1,024.0
Annual percentage change	2.4	2.5	5.3	5.7	5.4	5.6	6.2	6.2	6.7	6.8
Nonfarm Employment										
(in thousands)	9,431.7	9,382.7	9,422.0	9,552.6	9,736.6	9,946.5	10,150.6	10,345.1	10,553.5	10,756.7
Annual percentage change	(1.1)	(0.5)	0.4	1.4	1.9	2.2	2.1	1.9	2.0	1.9
Unemployment Rate (percentage)	6.1	6.7	6.1	5.6	5.7	5.5	5.6	5.7	5.8	5.7
Texas Exports	92.9	98.0	103.5	114.1	126.4	138.0	149.8	161.8	174.4	188.0
Resident Population										
(in thousands)	21,776.3	22,260.9	22,761.1	23,276.6	23,805.2	24,347.0	24,902.6	25,473.2	26,058.6	26,659.1
Annual percentage change	2.2	2.2	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3
Resident Population 18 and under										
(in thousands)	6,059.2	6,153.6	6,251.5	6,356.4	6,459.9	6,564.2	6,659.4	6,754.3	6,852.9	6,957.6
Annual percentage change	1.5	1.6	1.6	1.7	1.6	1.6	1.5	1.4	1.5	1.5
Resident Population 65 and over										
(in thousands)	2,145.9	2,187.4	2,230.1	2,277.7	2,329.8	2,387.9	2,460.8	2,539.8	2,620.7	2,698.3
Annual percentage change	1.7	1.9	2.0	2.1	2.3	2.5	3.1	3.2	3.2	3.0
U.S.										
Gross Domestic Product										
(U.S. 1996 dollars in billions)	$10,013.8	$10,275.7	$10,728.6	$11,100.1	$11,419.5	$11,788.4	$12,129.7	$12,484.9	$12,869.7	$13,265.4
Annual percentage change	1.5	2.6	4.4	3.5	2.9	3.2	2.9	2.9	3.1	3.1
Consumer Price Index										
(1982-84=100)	178.9	183.1	187.4	191.7	195.4	199.5	203.5	207.6	213.2	219.1
Annual percentage change	1.5	2.3	2.3	2.3	1.9	2.1	2.0	2.0	2.7	2.8
Prime Interest Rate (percentage)	4.9	4.2	4.1	5.4	6.5	6.5	6.7	7.6	8.4	8.5

*Projected.
SOURCES: Texas Comptroller of Public Accounts; Texas State Data Center.

APPENDIX K. SURVEY OF ORGANIZATIONAL EXCELLENCE

An important trend in the business world involves implementing a method to determine how employees view their organization's cultural strengths and weaknesses. This is a trend that should be followed in state government. Securing such data is critical to ensuring continuous improvement and is especially valuable to management in assessing the relative quality and effectiveness of the organization. Achieving quality and excellence is an evolving process and can be facilitated by recognizing the strengths and weaknesses within an organization as perceived by the people who work there. A thorough self-examination can provide an agency the ability to benchmark against itself, as well as against similar agencies.

An employee satisfaction survey provides perspectives on how employees view their organization, work, and relationships within the organization's environment. Such a survey contributes greatly to the external/internal assessment of an agency's Strategic Plan. Just as customer satisfaction surveys are increasingly viewed as being important in an agency's assessment, employee surveys are gaining the same level of importance. In these times of "doing more with less," employees are being called on to accept more responsibilities and meet more challenges, and their satisfaction is a direct correlate of their abilities to meet those new challenges.

Dr. Michael Lauderdale of The University of Texas at Austin School of Social Work has been assessing state agency employee satisfaction since 1979. The school's biennial Survey of Organizational Excellence has been used by many Texas state agencies as a useful tool in assessing employee satisfaction. Dr. Lauderdale and his staff are available to assist state agencies in conducting surveys of employee satisfaction. Further information may be obtained from The University of Texas at Austin Center for Social Work Research at (512) 471-9831 and/or at http://www.survey.utexas.edu.

Agencies that have participated in the Survey of Organizational Excellence are requested to include a synopsis of the most recent survey results in Appendix F of the agency's Strategic Plan and to explain how the results will be used in formulating human resource development goals and strategies to achieve those goals.

APPENDIX L. EXTERNAL / INTERNAL ASSESSMENT OUTLINE

The following outline is provided as a list of suggested elements that may be used to develop an agency's external/internal assessment. Agencies are not required to use this outline to organize an assessment, and the outline is not exhaustive of relevant and appropriate assessment topics. The outline, however, does include the elements required in general law relating to strategic planning as well as other important topics.

I. OVERVIEW OF AGENCY SCOPE AND FUNCTIONS

A. Statutory basis (enabling state and federal statutes)

B. Historical perspective (date created, significant events)

C. Affected populations (key service populations)

D. Main functions

E. Who are we in the public's perception?

II. ORGANIZATIONAL ASPECTS

A. Size and composition of workforce (e.g., number of full-time-equivalent positions, Equal Employment Opportunity-related composition, professionals vs. technical vs. clerical, exempts vs. classified)

B. Organizational structure and process (e.g., divisions/departments, management style, key management policies/operating characteristics); size and makeup of governing board/commission

C. Geographical location of agency (e.g., main office, field offices, travel, out-of-state requirements)

D. Location of service populations, identification of each geographic region serviced by the agency, and, if appropriate, the means and strategies for serving each region (pursuant to Government Code, Section 2056.002[b][8])

E. Human resource strengths and weaknesses (e.g., training, experience, compensation/benefits, turnover rates, impact of early retirements, succession planning, strength of policy)

F. Capital asset strengths and weaknesses; capital improvement needs, and a prioritization of those needs, if appropriate

G. Agency use of historically underutilized businesses

H. Key organizational events and areas of change and impact on organization

I. Use and anticipated use of consultants

III. FISCAL ASPECTS

A. Size of budget (e.g., trends in appropriations and expenditures, significant events)

B. Method of finance (e.g., role of federal funds, fees)

C. Per capita and other states' comparisons

D. Budgetary limitations (e.g., appropriations riders, statutory restrictions, federal restrictions) and plans to comply with or accommodate caps, including anticipated waiver requests

E. Degree to which current budget meets current and expected needs

F. Capital and/or leased needs. What is due for renewal (e.g., buildings, automobiles, computer technology)?

IV. SERVICE POPULATION DEMOGRAPHICS (FOCUS ON INDICATORS)

A. Historical characteristics

B. Current characteristics (e.g., size, age, education, geographic, special needs, impact on state's economic/political/cultural climate)

C. Future trends and their impacts, including changes in rates and sources of population growth, aging of the population, increase in the minority population, and changes in household composition

1. Short term (1–2 years)
2. Medium term (2–5 years)
3. Long term (more than 5 years)

V. TECHNOLOGICAL DEVELOPMENTS

A. Impact of technology on current agency operations (e.g., products/services in the marketplace, management information systems, transaction devices), including use of websites, mail, and other Internet-related tools for communication and transactional purposes

B. Impact of anticipated technological advances

C. Degree of agency automation, telecommunications, etc.

D. Anticipated need for automation (either purchased or leased)

VI. ECONOMIC VARIABLES

A. Identification of key economic variables

B. Extent to which service populations are affected by economic conditions

C. Expected future economic conditions and impact on agency and service populations

D. Agency response to changing economic conditions

VII. IMPACT OF FEDERAL STATUTES/REGULATIONS

A. Historical role of federal involvement (e.g., key legislation, key events)

B. Description of current federal activities (e.g., identifying relevant federal entities, relationship to state entities, impact on state operations)

C. Anticipated impact on service populations and agency operations of future federal actions (e.g., agency-specific federal mandates, court cases, federal budget, general mandates)

VIII. OTHER LEGAL ISSUES

A. Impact of anticipated state statutory changes

B. Impact of current and outstanding court cases

C. Impact of local governmental requirements

IX. SELF-EVALUATION AND OPPORTUNITIES FOR IMPROVEMENT

A. How effectively and efficiently has the agency met its legal requirements, served critical populations, and achieved accreditation and recognition, etc., through outcome measures, program evaluations, performance reviews, audit reports, and comparisons with other states and industry leaders? What specific insights have been gained and what specific programmatic changes have been implemented as a result of those comparisons?

B. Agency characteristics requiring improvement

C. Key obstacles (e.g., statutory, environmental, fiscal, human resource, geographic, technological, cultural, social, political)

D. Opportunities (e.g., human resources, statutory changes, community/business resources, technology, social, political)

E. How will we work with local, state, and federal entities to achieve success?

F. What key technological, capital, human, and community resources are, or might be available?

G. What are our employees' attitudes with regard to our organization? What are the significant issues identified by our employees as internal weaknesses? How can we address those issues? How can we support our employees as they are called on to accept more responsibilities and meet more challenges?

APPENDIX M. PROJECTED OUTCOMES

EXAMPLE OF PROJECTED OUTCOMES
FISCAL YEARS 2007–11

OUTCOME	2007	2008	2009	2010	2011
Percentage of All Child Support Amounts Due that Are Collected	63.0	46.0	46.0	48.0	48.0
Vaccination Coverage Level among Children Aged 19–35 Months	82.0	79.0	81.0	85.0	85.0
Percentage of Students Reading at Grade Level (3rd Grade Only)	94.0	93.0	95.0	95.0	95.0
Percentage of Family Practice Residency Program Completers Practicing in Medically Underserved Areas	6.5	6.5	6.5	7.0	7.0
Felon Parolee Annual Revocation Rate	13.2	13.0	13.0	12.8	12.6
Percentage of Texas Surface Water Meeting or Exceeding Water Quality Standards	84.0	88.0	89.0	90.0	91.0
Percentage of Households/Individuals of Low Income Needing Affordable Housing Who Subsequently Receive Housing or Housing-related Assistance	2.8	1.9	2.0	2.1	2.3
Statewide Incidence Rate of Injuries and Illnesses per 100 Full-time Employees	4.8	6.8	6.6	6.6	6.5

NOTE: Projections for fiscal year 2008–11 are fictitious and have been developed for illustrative purposes only.