

STATE OF LOUISIANA LEGISLATIVE AUDITOR

**Department of Social Services:
Analysis of Program Authority
and Performance Data**

October 1997



Performance Audit Division

***Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor***

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**Performance Audit
Office of Legislative Auditor
State of Louisiana**

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October 8, 1997

The Honorable Randy L. Ewing,
President of the Senate
The Honorable H. B. "Hunt" Downer, Jr.,
Speaker of the House of Representatives

Dear Senator Ewing and Representative Downer:

This report gives the results of our performance audit of the Analysis of Program Authority and Performance Data of the Department of Social Services and its related boards and commissions. The audit was conducted under provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended. In addition, this audit is one step toward meeting requirements of the Louisiana Performance Audit Program (Louisiana Revised Statute 24:522).

The report represents our findings, conclusions, and recommendations. We have also identified matters for legislative consideration. Appendix E contains the Department of Social Services' response and Appendix F contains the Division of Administration - Office of Planning and Budget's response. I trust that this report will be of use to you in your legislative decision-making process.

Sincerely,

A handwritten signature in cursive script that reads "Daniel G. Kyle".

Daniel G. Kyle, CPA, CFE
Legislative Auditor

DGK/dl

[DSS]



Office of Legislative Auditor

Executive Summary

Performance Audit Department of Social Services: Analysis of Program Authority and Performance Data

Performance data reported for the Louisiana Department of Social Services (DSS) in the 1996-97 executive budget may not enable users of the budget to determine progress made by the department's statutorily created programs. It also may not be useful to legislators for making informed budgetary decisions. Some of the deficiencies in this data that cause this lack of usefulness are:

- ◆ The program structure does not clearly present information on DSS's 48 statutorily created programs.
- ◆ The missions and goals reported generally reflect the intent of the legislature as portrayed in underlying law. However, they may be too broad to provide adequate information for legislators to make informed funding decisions.
- ◆ The executive budget does not include any performance data for nearly one-third of DSS's statutorily created programs, and less than 15 percent of the statutorily created programs have goals, objectives, and performance indicators reported.
- ◆ The executive budget does not contain a departmental mission for DSS, and the office and program missions are not clearly identified.
- ◆ The majority of objectives reported are neither measurable nor timebound.
- ◆ Because many of the objectives are not measurable, only 20 percent of the performance indicators measure progress toward them.
- ◆ Only 5 percent of the performance indicators reported are outcome measures.

In addition, we identified two committees that may have duplicative functions. The functions of these committees may also overlap with the functions of one council. There are also seven statutorily created programs within DSS that provide subsidies for child care services. Although these programs appear to be duplicative, each program provides this service to a different client group. Finally, we identified one committee, two commissions, and one statutorily created program, which are currently unfunded and inactive.

Audit Initiation and Objectives

The Office of Legislative Auditor conducted this performance audit in response to certain requirements of Louisiana Revised Statute 24:522. This law requires us to evaluate the basic assumptions underlying all state agencies, programs, and services. The law also requires us to make annual recommendations relative to the effectiveness and efficiency of programs and services provided. To address these directives for the Louisiana Department of Social Services, we analyzed the program authority and performance data reported in the 1996-97 executive budget for the department. We also searched for programs that may be potentially overlapping, duplicative, or outmoded.

This report is one of a series of reports on all major executive branch departments addressing the following objectives:

- Determine if the department's missions and goals as reported in the fiscal year 1996-97 executive budget are consistent with legislative intent and legal authority
- Determine if the department's missions, goals, objectives, and performance indicators as reported in the fiscal year 1996-97 executive budget are consistent with established criteria described in this report
- Determine if the department's objectives and performance indicators as reported in the fiscal year 1996-97 executive budget collectively provide useful information for decision-making purposes
- Identify any programs, functions, and activities within the department that appear to be overlapping, duplicative, or outmoded

Many Statutes Still Reference DHHR

Over 300 Statutes for DSS Programs Still Reference Department of Health and Hospitals

Before the creation of DSS in 1988, most functions of DSS and the Department of Health and Hospitals (DHH) were part of the Department of Health and Human Resources (DHHR). Act 1 of 1988 abolished DHHR and formally created DSS and DHH. However, when DHHR was abolished, the legislature did not

change all Louisiana statutes that make reference to DHHR. We identified 338 statutes that still refer to DHHR.

(See page 22 of the report.)

Matter for Legislative Consideration

- 2.1 The legislature may wish to consider whether it would be beneficial to amend all references to DHHR in the Louisiana Revised Statutes. The amount of time it would take to amend these statutes may be a deciding factor in this decision.**

Program Structure in Executive Budget Is Confusing

The Executive Budget Programs Are Actually Groupings of Several Statutorily Created Programs

The program structure presented in the 1996-97 executive budget does not clearly present information on DSS's 48 statutorily created programs. For purposes of this report, we considered "statutorily created programs" to mean individual programs, bureaus, and divisions either authorized by state or federal laws or whose functions the secretary of DSS is authorized by state law to determine.

There are 11 programs listed in the executive budget for DSS. These executive budget programs are actually groupings of several statutorily created programs. The executive budget does not, however, always list which statutorily created programs are included in each executive budget program. In addition, nearly one-fourth of the statutorily created programs are in more than one executive budget program. This presentation may result in confusion about the appropriation of funds for these programs. In addition, this presentation hides performance of some statutorily created programs. Many people involved in the budget process agreed that the executive budget program structure for DSS needs improvement.

(See page 23 of the report.)

Recommendations

- 2.1 **DSS, OPB, and legislative staffs should work together to develop a structure for the executive budget program information that provides a complete view of all statutorily created programs. The revised program structure should meet the needs of all those involved in the appropriations process. Implementing this recommendation would help provide a clearer understanding of DSS's organization to assist legislators in making funding decisions.**
- 2.2 **DSS and OPB staffs should work together each year during the budget process to ensure that complete program data are included in the executive budget. In addition, they should ensure that the most important information is presented to the legislature. Implementing this recommendation should help legislators receive all pertinent program data for making funding decisions.**

Missions and Goals Generally Consistent With Law

Missions and Goals Reported in 1996-97 Executive Budget Are Generally Consistent With Law

We reviewed federal laws, the state constitution, and state statutes governing DSS to determine if the missions and goals reported in the 1996-97 executive budget are consistent with legislative intent and legal authority. We found that all program missions and goals are supported by state and/or federal law. However, the program missions are broad in order to encompass the legislative intent and legal authority of all related statutorily created programs. The specific legislative intent of each statutorily created program is lost in these missions. In addition, many of the goals are broad and encompass more than one statutorily created program. Therefore, the missions and goals may not provide adequate information for legislators to make informed funding decisions about individual DSS programs.

(See page 31 of the report.)

**Some Functions
May Be
Duplicative,
Overlapping, or
Outmoded****DSS's Related Entities and Statutorily Created
Programs Have Functions That May Be
Duplicative, Overlapping, or Outmoded**

Two committees related to DSS may have duplicative functions (the Louisiana Advisory Committee on Licensing of Child Care Facilities and the Louisiana Committee on Private Child Care). These committees are each responsible for developing standards for a particular class of day care facility. However, since they both basically do the same thing, they appear to be potentially duplicative. The functions of these two committees may also overlap with the functions of the Advisory Council of the Child Care Development Block Grant, which advises the state on various ways to upgrade child care in Louisiana day care centers. Also, seven statutorily created programs encompassing all offices of DSS are designed to provide subsidies for child care services. While these seven programs appear to be duplicative, each provides the subsidies to a different target group.

Duplication and overlap may point to inefficiencies in the way services are provided. Therefore, all areas of potential duplication and overlap should be reviewed to determine if any further action is necessary to address them. We did not find any statutorily created programs with obvious overlapping functions.

One committee (the Louisiana Child Care Challenge Committee), two commissions (the State Youth Planning Advisory Commission and the Louisiana Commission on Human Relations, Rights, and Responsibilities), and one statutorily created program (the Intergenerational Child Care Program) are currently unfunded and inactive. If these entities are outmoded, maintaining their statutory structures may cause confusion for legislators making programmatic decisions.

(See page 33 of the report.)

Matter for Legislative Consideration

- 2.2 The legislature may wish to review the areas of potential overlap and duplication noted in this chapter. Based on the review, the legislature may determine that the deficiencies can easily be corrected by revising state statutes or directing the department to streamline and coordinate these areas. Alternatively, the legislature**

may consider requesting our office or other staff to conduct a more detailed review of these entities.

- 2.3** The legislature may wish to consider whether to fund or abolish the Louisiana Child Care Challenge Committee; the State Youth Planning Advisory Commission; the Louisiana Commission on Human Relations, Rights, and Responsibilities; and the Intergenerational Child Care Program, which are all unfunded and inactive according to DSS budget request information and the 1996 Sunset Report.

Analysis Conducted

We analyzed the performance data (i.e., missions, goals, objectives, and performance indicators) presented for DSS in the program information volume of the 1996-97 executive budget. Using a set of core criteria, we evaluated 15 missions, 14 goals, 37 objectives, and 191 performance indicators found in the executive budget. We developed the core criteria using various sources, including *Manageware* and information provided by several program budgeting experts. Our evaluation considered whether the executive budget provides useful information to enable legislators or other readers to understand each program and make related budgetary decisions. In addition, we analyzed the departmental mission statement furnished to us by the department, which was not included in the executive budget.

(See page 38 of the report.)

Results of Analysis for DSS as a Whole

The Executive Budget Does Not Report Performance Data for Some Statutorily Created Programs

The 1996-97 executive budget does not include any performance data for nearly one-third of DSS's statutorily created programs. In addition, none of the statutorily created programs have missions; only 17 percent have goals; less than half have objectives; and only two-thirds have performance indicators reported specifically for those programs. Finally, less than 15 percent of the statutorily created programs have goals, objectives, and performance indicators reported. The absence of this

performance data may make it difficult for the legislature to use this information to make informed funding decisions.

(See page 40 of the report.)

Recommendations

As indicated in Recommendation 2.2, the staffs of DSS and OPB should work together to ensure that the most important information is presented to the legislature in the executive budget.

- 3.1 DSS and OPB staffs should work together to determine which statutorily created programs need missions and goals. Once this determination is made, they should ensure that these missions and goals are reported in the executive budget. Including the missions would help ensure that legislators receive all pertinent information regarding the purpose and clientele of individual programs. Including the goals would help communicate how program missions are to be accomplished.**
- 3.2 DSS and OPB staffs should work together to ensure that each statutorily created program has objectives and indicators reported in the executive budget. Implementing this recommendation would help ensure that information on progress made toward specific targeted levels of performance by the individual programs is communicated to the legislators. The legislators could then use this information to make funding decisions.**

There is No Departmental Mission and No Clearly Identified Office or Program Missions in the 1996-97 Executive Budget

The 1996-97 executive budget does not contain a departmental mission for DSS. However, we identified a departmental mission in other DSS documents. If the mission is not included in the executive budget, users of the executive budget may

not understand the overall purpose and clientele of the department. In addition, the executive budget does not label the office and program missions as such. Instead, there are statements included in the narrative program descriptions that the OPB planning analyst for DSS identified as the missions. Because the office and program missions are not clearly identified, a user of the budget might not understand the importance of this information.

(See page 43 of the report.)

Recommendation

- 3.3 OPB should ensure that the departmental, office, and program missions are clearly labeled as such in the executive budget. Implementing this recommendation would help users of the executive budget understand the importance of this information as it relates to program purposes and clientele.**

DSS Office and Program Missions Provide Some Useful Information

The missions reported for the DSS offices and programs in the 1996-97 executive budget meet all core criteria. That is, they identify the purpose, identify the clients or customers, and are organizationally acceptable. As a result, the missions provide some useful information to legislators for decision making. However, as mentioned in Chapter 2, the executive budget program missions are too broad to encompass the legislative intent and legal authority of all related statutorily created programs. Thus, the specific legislative intent for each statutorily created program is lost. Even though the missions meet the core criteria, they would be more useful if this level of detail were not lost.

(See page 44 of the report.)

While Most of the Goals Reported in the Executive Budget Provide Useful Information, Several Executive Budget Programs Do Not Have Goals Reported

The majority of goals reported in the 1996-97 executive budget are consistent with the associated missions. They also provide a sense of direction on how to address the missions and reflect the destinations toward which the programs are striving. As a result, these goals provide some useful information for decision makers. However, there are no goals reported for some executive budget programs. In addition, only 17 percent of the statutorily created programs have their own goals reported. While the goals that are reported meet most of the core criteria, the small number of goals may hinder legislative decision making.

(See page 45 of the report.)

Recommendation

- 3.4 DSS and OPB staffs should work together to ensure that all goals provide a sense of direction on how to address the missions and reflect the destination toward which the programs are striving. The goals should also be consistent with the associated missions. DSS and OPB should ensure that the specific deficiencies we identified in the goals of each DSS office (which are described in further detail in subsequent sections of this report) are corrected. Implementing this recommendation would provide clearer information to legislators for use in budgetary decision making.**

The Majority of Objectives Reported Are Not Measurable or Timebound

The majority of objectives reported for DSS in the 1996-97 executive budget are neither measurable nor timebound. Most of the objectives, however, are consistent with the goals and are

results-oriented. Objectives that are neither measurable nor timebound do not specify desired levels of performance that the agency is striving toward or the target dates for accomplishment. Because the objectives provide no standard to measure against, legislators making budgetary decisions may not be able to tell how well the statutorily created programs are performing. In addition, legislators will not know how timely the programs' accomplishments are being made.

(See page 46 of the report.)

Recommendation

- 3.5 DSS and OPB staffs should work together to ensure that all objectives specify desired end results. They should also ensure that the objectives are measurable, timebound, and consistent with associated goals. Implementing this recommendation will help communicate to legislators how well the statutorily created programs are performing against targeted levels of performance.**

Many Performance Indicators Reported Are Associated With Non-Measurable Objectives

The majority of performance indicators included in the 1996-97 executive budget are consistent with objectives and are easy to understand. However, only 20 percent measure progress toward objectives because many of the objectives are not measurable. When indicators do not measure progress toward objectives, users of the executive budget may not know how well the programs performed what they were supposed to accomplish. Also, there are no performance indicators reported for the administrative and executive support type programs in two of DSS's four offices. Therefore, users of the executive budget cannot tell how well these programs are performing.

(See page 48 of the report.)

Recommendations

- 3.6** Once DSS and OPB staffs develop measurable objectives, they should reevaluate the performance indicators to determine whether they are clear and whether they are consistent with and measure progress toward the new objectives. In addition, DSS and OPB staffs should reevaluate all objectives and indicators reported in the executive budget to determine if the most useful information for legislators and other users is included. Those that are better suited for internal use by the department may not need to be reported in the executive budget. Implementing this recommendation should help ensure that users of the executive budget receive better information on how well the programs performed what they were supposed to accomplish.
- 3.7** DSS and OPB staffs should work together to develop administrative and executive support type performance indicators based on activities for which those programs are directly responsible. Implementing this recommendation should help users of the executive budget determine how well the administrative programs performed what they were supposed to accomplish.

Few Performance Indicators Reported in the 1996-97 Executive Budget Measure Outcome

The majority of performance indicators included in the 1996-97 executive budget measure output. Although 6 of the 11 executive budget programs have some outcome indicators, overall, only 5 percent of the indicators are outcome measures. DSS does have a mix of indicators reported in the executive budget. However, adding more outcome indicators would provide more useful information for decision making.

(See page 51 of the report.)

Recommendation

- 3.8 DSS and OPB staffs should work together to improve the mix of performance indicators reported in the executive budget by developing additional outcome indicators for all executive budget programs. They should also consider eliminating some currently published output measures. In addition, explanatory information should be included where appropriate. Implementing this recommendation should help legislators make funding decisions by showing whether or not expected results are being achieved.**

Results of Analysis for Individual DSS Offices

We Also Report the Results of our Analysis by Individual Office

The results of our analysis for the individual DSS offices are also presented in this report. The offices are:

- Office of the Secretary (OS)
- Office of Family Support (OFS)
- Office of Community Services (OCS)
- Office of Rehabilitation Services (also known as Louisiana Rehabilitation Services or LRS)

The overall recommendations presented in Chapter 3 (Recommendations 3.1 – 3.8) are applicable to the deficiencies found in the performance data for these four offices.

(See page 53 of the report.)

Chapter 1: Introduction

Audit Initiation and Objectives

The Office of the Legislative Auditor conducted this performance audit of the executive budget program information for the Department of Social Services (DSS) in response to certain requirements of Act 1100 of 1995. This act amended the state audit law by adding Louisiana Revised Statute (R.S.) 24:522, which created the Louisiana Performance Audit Program. Although the legislative auditor has been conducting performance audits since 1986, R.S. 24:522 formalizes an overall performance audit program for the state. In addition to finding solutions to present fiscal problems, the legislature created the Performance Audit Program to identify and plan for the state's long-term needs.

This report is one of a series of reports on all major executive branch departments addressing the following objectives:

- Determine if the department's missions and goals as reported in the fiscal year 1996-97 executive budget are consistent with legislative intent and legal authority
- Determine if the department's missions, goals, objectives, and performance indicators as reported in the fiscal year 1996-97 executive budget are consistent with established criteria
- Determine if the department's objectives and performance indicators as reported in the fiscal year 1996-97 executive budget collectively provide useful information for decision-making purposes
- Identify any programs, functions, and activities within the department that appear to be overlapping, duplicative, or outmoded

Report Conclusions

DSS is responsible for developing and providing social services and improving social conditions for Louisiana citizens. It is also responsible for rehabilitating handicapped persons for employment. According to the 1996 General Appropriation Act, the department has a total of 6,448 authorized positions and an operating budget of approximately \$700 million.

The organization of the program information in the 1996-97 executive budget may cause confusion about the appropriation of funds for the department's 48 statutorily created programs. The executive budget divides the department into four budget units and 11 programs. These "programs" are actually groupings of several statutorily created programs. The executive budget does not list the statutorily created programs included in each executive budget program. Therefore, the performance of the statutorily created programs is not apparent. The executive budget also does not include performance data for nearly one-third of DSS's statutorily created programs. Also, less than 15 percent of the statutorily created programs have a goal, objective, and indicator reported in the executive budget.

The missions and goals that are reported in the 1996-97 executive budget are generally consistent with legislative intent. That is, they reflect the intent of the legislature as portrayed in underlying law. However, they may be too broad to provide adequate information for legislators to make informed funding decisions.

Overlap and duplication may point to inefficiencies in the way services are provided. Therefore, all areas of potential overlap and duplication should be reviewed to determine if any further action is necessary to address them. This would include two committees that may have duplicative functions (the Louisiana Advisory Committee on Licensing of Child Care Facilities and the Louisiana Committee on Private Child Care). These two committees may also overlap with the Advisory Council of the Child Care Development Block Grant. In addition, seven statutorily created programs are responsible for providing subsidies for child care services, although each targets a different client group. The department is currently in the process of consolidating four of these seven programs.

One committee (the Louisiana Child Care Challenge Committee), two commissions (the State Youth Planning Advisory Commission and the Louisiana Commission on Human Relations, Rights, and Responsibilities), and one statutorily created program (the Intergenerational Child Care Program) that are authorized in state law but not funded may be outmoded. Leaving the statutory structures of outmoded programs in place could cause confusion for legislators making programmatic decisions.

Overall, the performance data reported for DSS in the 1996-97 executive budget may not convey as much useful information as they could about what the executive budget programs are attempting to accomplish. It also may not be useful for making informed budgetary decisions. This is primarily because:

- **The missions and goals do not encompass all statutorily created programs.**
- **The majority of objectives are not measurable or timebound.**
- **The majority of performance indicators cannot measure progress towards the stated objectives due to non-measurable objectives.**
- **There are few outcome indicators.**

The performance data reported in the executive budget should be improved so that it provides useful information about programs' progress for use by legislators and others charged with making programmatic decisions.

Accountability Initiatives

Article XIV, Section 6 of the 1974 Louisiana Constitution reorganized the executive branch into 20 departments. State law says that the structure of the executive branch of state government is to, in part, promote economy and efficiency in the operation and management of state government. Since the reorganization, additional efforts have been undertaken to eliminate duplicative, overlapping, and outmoded programs and activities. Some of these

efforts require internal reviews of programs, policies, and services of state agencies while others provide for external reviews.

R.S. 24:522 requires the legislative auditor to annually make recommendations to the legislature relative, in part, to the effectiveness and efficiency of programs and services that the various state agencies provide. In particular, it directs the auditor to evaluate the basic assumptions underlying all state agencies, programs, and services to assist the legislature in identifying those that are vital to the best interests of the people of Louisiana and those that no longer meet that goal. The act also requires state agencies to produce certain information during the budgetary process.

In July 1996, the Office of Legislative Auditor issued a report that examined the performance and progress of Louisiana state government. That report followed up on all recommendations made in performance audits and staff studies issued by the legislative auditor during the previous three years. In that report, we tracked the progress of agencies in implementing recommendations contained in the performance studies and identified related legislation. We also identified a number of problem areas in state government including inadequate oversight and inadequate planning.

As part of our continuing efforts to meet the requirements of R.S. 24:522, we have issued this report that examines the legal authority for DSS's programs and services. This report also examines the program information contained in the fiscal year 1996-97 executive budget and builds on the need for better planning. As previously mentioned, similar performance audit reports are to be issued on all other executive branch departments.

State law (R.S. 49:190 *et seq.*) also requires agencies to provide the legislature with certain information to justify their existence in order to continue. This is referred to as the sunset review process. This process allows the legislature an opportunity and mechanism to evaluate the operations of state statutory entities.

State law also requires an annual report by department undersecretaries on their department management and program analysis. These reports, required by the provisions of R.S. 36:8, are referred to as Act 160 reports, since Act 160 of 1982 originally enacted this law. This law requires agencies to conduct evaluations and analyses of programs, operations, and policies to improve the efficiency, economy, and effectiveness of the departments.

Other performance legislation includes an accountability act for colleges and universities. Also, various agency performance related reports are required to be submitted with the agency budget request. One of these reports is referred to as the “Sunset Review Budget Request Supplement.”

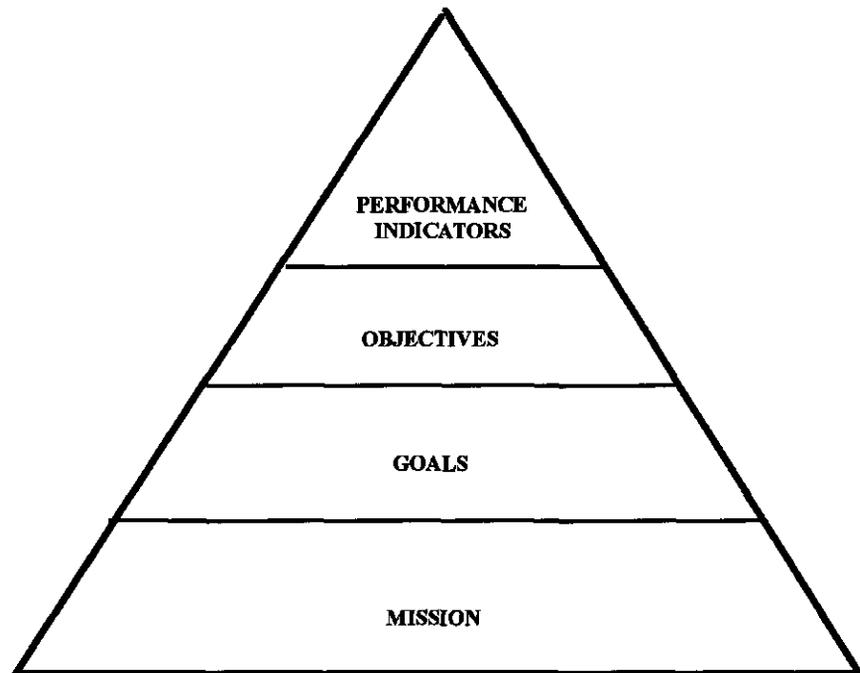
**Program
Budgeting and
Strategic
Planning
Focus on
Outcomes**

Act 814 of the 1987 Regular Legislative Session required the state to adopt a program budgeting system beginning in fiscal year 1988-89. R.S. 39:36 requires the executive budget to be in a format that clearly presents and highlights the programs operated by state government. According to *Manageware*, a publication of the Division of Administration’s Office of Planning and Budget (OPB), program budgeting is a budget system that focuses on program objectives, achievements, and cost-effectiveness. *Manageware* also states that program budgeting is concerned with outcomes or results rather than with individual items of expenditure.

Strategic planning is a process that sets goals and objectives for the future and strategies for achieving those goals and objectives, with an emphasis on how best to use resources. Program budgeting involves the development of missions, goals, objectives, and performance indicators. These factors are components of the strategic planning process.

Exhibit 1-1 on page 6 shows how missions, goals, objectives, and performance indicators relate to each other. As can be seen in this exhibit, the mission is the base from which goals are derived. Objectives flow from the goals, and performance indicators flow from the objectives.

Exhibit 1-1**Major Components of the Strategic Planning Process**



Source: Prepared by legislative auditor's staff using a similar diagram in *Manageware*.

Manageware defines the above terms as follows:

- **Mission:** a broad, comprehensive statement of the organization's purpose. The mission identifies what the organization does and for whom it does it.
- **Goals:** the general end purposes toward which effort is directed. Goals show where the organization is going.
- **Objectives:** specific and measurable targets for accomplishment. Objectives include a degree or type of change and a timetable for accomplishment.
- **Performance Indicators:** the tools used to measure the performance of policies, programs, and plans.

Furthermore, *Manageware* categorizes performance indicators into five types:

1. **Input indicators** measure resource allocation and demand for services. Examples of input indicators are budget allocations and number of full-time equivalent employees.
2. **Output indicators** measure the amount of products or services provided or the number of customers served. Examples of output indicators include the number of students enrolled in an adult education course, the number of vaccinations given to children, and the number of miles of roads resurfaced.
3. **Outcome indicators** measure results and assess program impact and effectiveness. Examples of outcome indicators are the number of persons able to read and write after completing an adult education course and the change in the highway death rate. Outcome indicators are the most important performance measures because they show whether or not expected results are being achieved.
4. **Efficiency indicators** measure productivity and cost-effectiveness. They reflect the cost of providing services or achieving results. Examples of efficiency indicators include the cost per student enrolled in an adult education course, the bed occupancy rate at a hospital, and the average processing time for environmental permit applications.
5. **Quality indicators** measure effectiveness in meeting the expectations of customers, stakeholders, and other groups. Examples of quality indicators include the number of defect-free reports compared to the number of reports produced, the accreditation of institutions or programs, and the number of customer complaints filed.

Manageware also points out the benefits of program budgeting. According to *Manageware*, program budgeting streamlines the budget process. *Manageware* also says that program budgeting supports quality management by allowing managers more budgetary flexibility while maintaining

accountability for the outcomes of programs. Since appropriations are made at the program level, program managers can more easily shift funds from one expenditure category to another to cover unanticipated needs, according to *Manageware*.

The need for accountability in government operations is gaining recognition both domestically and internationally. According to a recent report issued by the United States General Accounting Office, the federal government is currently implementing the Government Performance and Results Act of 1993. This act requires agencies to set goals, measure performance, and report on their accomplishments. The report also cites several states including Florida, Oregon, Minnesota, Texas, and Virginia and foreign governments such as Australia, Canada, New Zealand, and the United Kingdom that are also pursuing management reform initiatives and becoming more results-oriented.

In Louisiana, the 1996 general appropriation bill and resulting act included program descriptions for the first time. The 1997 general appropriation bill also includes key performance indicators. For fiscal year 1997-98, this information will be presented for informational purposes only. However, in the future, it will serve as a starting point for the full implementation of performance based budgeting.

Beginning in fiscal year 1998-99 and all subsequent fiscal years, key objectives and key performance indicators contained in the General Appropriation Act will be included in the agency's appropriation. Each agency will be required to provide quarterly performance progress reports. The agency's appropriation will be issued conditioned upon the agency preparing and submitting these reports.

**Executive Budget
Is Basis for
General
Appropriation
Act**

Article VII, Section 11(A) of the Louisiana Constitution requires the governor to submit a budget estimate to the legislature that sets forth the state expenditures for the next fiscal year. This budget estimate, the executive budget¹, must include recommendations for appropriations from the state general fund, dedicated funds, and self-generated funds.

¹ The governor also submits a capital outlay budget. However, the scope of this audit includes only the executive budget.

R.S. 39:36 requires the executive budget to be configured in a format that clearly presents and highlights the programs operated by state government. This statute also requires the executive budget to include:

- (1) an outline of the agency's programmatic structure, which should include an itemization of all programs with a clear description of the objectives of each program;
- (2) a description of the activities that are intended to accomplish each objective; and
- (3) clearly defined indicators of the quantity and quality of performance of these activities.

OPB develops the executive budget based on voluminous material contained in various documents prepared by the departments as part of their budget requests. The budget request packages are made up of six separate components, which are listed below. These packages contain both financial and program information.

1. **Operational plans** describe the various programs within state agencies. They also give program missions, goals, objectives, and performance indicators. Operational plans are derived from long-range strategic plans. Operational plans tell what portions of strategic plans will be addressed during a given operational period.
2. **Existing operating budgets** describe the initial operating budgets as adjusted for actions taken by the Joint Legislative Committee on the Budget, the Interim Emergency Board, the legislature, and/or the governor.
3. **Continuation budgets** describe the level of funding for each budget unit that reflects the resources necessary to carry on all existing programs and functions at the current level of service in the ensuing fiscal year. These budget components include any adjustments necessary due to the increased cost of services or materials as a result of inflation and increased workload requirements

resulting from demographic or other changes. Continuation budgets contain program information.

4. **Technical/other adjustment packages** allow for the transfer of programs or functions from certain agencies or departments to other agencies or departments. However, total overall revenues and expenditures cannot be increased. The technical/other adjustment packages also contain program information.
5. **New or expanded service requests** are designed to provide information about the cost of new and/or expanded services that departments will provide. These service changes can come about as a result of regulation or procedural changes that are/were controlled by the agency or by the addition of services that were not previously provided. The new or expanded service requests also contain program information.
6. **Total request summaries** provide a cross-check of the total budget request document. These forms are designed to provide summaries of all the requested adjustments made to arrive at the total budget requests.

According to *Manageware*, the total budget request must be accompanied by the Sunset Review Budget Request Supplement (i.e., BRS forms). The BRS forms list all activities that a budget unit has been directed to administer (through legislatively authorized programs and acts of the legislature) for which no implementing funds were appropriated in the existing operating budget. The BRS forms must be submitted to OPB, the Legislative Fiscal Office, and the Joint Legislative Committee on the Budget.

For the 1996-97 fiscal year, OPB prepared and published several volumes of a two-part executive budget using the departments' budget request packages. One part of the executive budget contains financial information, and the other part contains program information. The program information includes program descriptions, missions, goals, objectives, and performance indicators related to the services and products of each department resulting from spending state revenues.

According to R.S. 39:37, the governor must submit the executive budget to the Joint Legislative Committee on the Budget. The governor must make a copy of the executive budget available to each member of the legislature. The constitution requires that the governor submit a general appropriation bill for proposed ordinary operating expenditures in conformity with the executive budget document that was submitted to the legislature.

The general appropriation bill moves through the legislature similar to any other bill. The Appropriations Committee in the House of Representatives initially hears the bill. It then moves to the full House, then to the Senate Finance Committee, and then to the full Senate. Both the House and Senate may amend the bill. The bill is voted upon in its final form by the full membership of both chambers. OPB monitors any amendments the legislature makes to the bill.

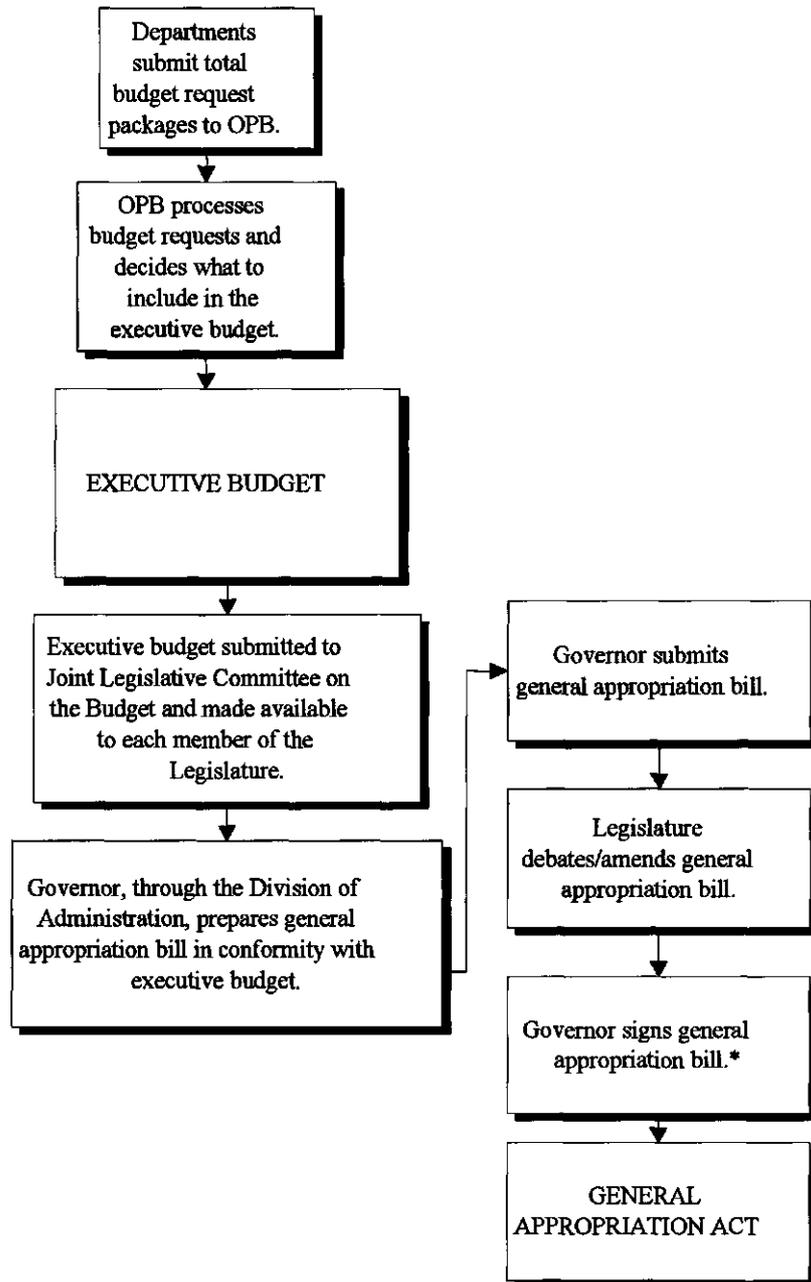
After the general appropriation bill passes the legislature, it is forwarded to the governor. Once the governor signs the bill, it becomes law in the form of the General Appropriation Act. After the governor signs the bill, OPB reports to the state departments any amendments made by the legislature. The state constitution allows the governor to veto any line item in the appropriation bill. A veto can be overridden by a two-thirds vote of the legislature. Exhibit 1-2 on page 12 illustrates the executive budget and appropriation processes.

Exhibit 1-2

Executive Budget and Appropriation Processes

Executive Budget Process

Appropriation Process



* The governor has line-item veto power.

Source: Prepared by legislative auditor's staff using the state constitution, state law, *Manageware*, and *House Legislative Services - State and Local Government in Louisiana: An Overview* (December 1995).

Scope and Methodology

Overview. This performance audit of the Department of Social Services' program information was conducted under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended. All performance audits are conducted in accordance with generally accepted government auditing standards as promulgated by the Comptroller General of the United States. Work on this audit began in August 1996.

This section provides a summary of the methodology used in this audit. Based on planning meetings held by legislative audit staff, we formulated audit objectives that would address issues specific to the program information contained in the executive budget. The audit focused on the fiscal year 1996-97 executive budget program information.

References Used. To familiarize ourselves with performance measurement, program budgeting, and accountability concepts, we reviewed various publications including the following:

- *Manageware* published by the Office of Planning and Budget (1991 and 1996 editions)
- *Research Report - Service Efforts and Accomplishments Reporting: Its Time Has Come, An Overview* published by the Governmental Accounting Standards Board (GASB)
- *Executive Guide: Effectively Implementing the Government Performance and Results Act* published by the U.S. General Accounting Office (June 1996)
- Various reports by the Canadian Comprehensive Auditing Foundation
- Reports from various states related to program budgeting and strategic planning

These publications are listed in detail in Appendix A. We also conducted interviews with personnel of the Urban Institute, the federal Office of Management and Budget (OMB), and GASB. These individuals represent both the theoretical and practical sides of current performance measurement and accountability efforts.

To gain an understanding of the state's budget process, we reviewed state laws regarding program budgeting. In addition, we interviewed staff of OPB and the Department of Social Services regarding their budget processes.

Legal Basis for Missions and Goals. We searched state and federal laws to determine whether there is legal authority for the missions and goals reported for the department and its programs in the 1996-97 executive budget. We also reviewed applicable laws to determine legislative intent related to the creation of the department and the functions that the department and its programs are intended to perform. In addition, we reviewed and organized data obtained from the department on its structure, functions, and programs. We also interviewed key department personnel about these issues. We included within the scope of our detailed audit work all related boards, commissions, and like entities for which funding was recommended through a specific line item in the executive budget. We also prepared a listing, which is contained in Appendix B, of all related boards, commissions, and like entities we identified, regardless of whether funding was recommended through a specific line item.

Comparison of Performance Data to Criteria. We developed criteria against which to compare the department's missions, goals, objectives, and performance indicators as reported in the 1996-97 executive budget. To help develop these criteria, we gathered information from GASB, OMB, the Urban Institute, and *Manageware*. During our criteria development process, we obtained ongoing input from GASB. We also obtained concurrence from GASB on our final established criteria. We then compared the missions, goals, objectives, and performance indicators to the established criteria.

In addition, we evaluated the objectives and performance indicators to determine if they collectively provide useful information to decision makers. When deficiencies or other problems were identified, we discussed them with appropriate personnel of the department and OPB. We did not assess the validity or reliability of the performance indicators.

Although other documents contain performance data on the department, we only compared the missions, goals, objectives, and performance indicators contained in the executive budget to the criteria. This decision was made because the executive budget is the culmination of OPB's review and refinement of the budget request components. It also represents the governor's official

recommendation to the legislature for appropriations for the next fiscal year.

Potential Overlapping, Duplicative, or Outmoded Areas. Finally, we reviewed the program descriptions and legal authority for the department's programs and related boards, commissions, and like entities to identify areas that appear to be overlapping, duplicative, or outmoded. We defined these terms as follows:

- **Overlapping:** instances where two or more programs appear to perform different activities or functions for the same or similar purposes
- **Duplicative:** instances where two or more programs appear to conduct identical activities or functions for the same or similar purposes
- **Outmoded:** those programs, activities, or functions that appear to be outdated or are no longer needed

We did not conduct detailed audit work on the areas we identified as potentially overlapping, duplicative, or outmoded. We only identified them for further review at another time.

Areas for Further Study

During this audit, we identified the following areas that require further study:

- As previously mentioned, assessing the validity and reliability of performance indicators was not within the scope of this audit. However, if the legislature intends to include performance indicators in future appropriation bills and acts, validity and reliability become increasingly important. Consequently, in the future, the legislature may wish to direct a study of the validity and reliability of performance indicators included in appropriation bills.
- The programs, functions, and activities that appear to be overlapping, duplicative, or outmoded should be assessed in more detail to determine whether they are truly overlapping, duplicative, or outmoded. Once these assessments are completed, the

legislature may decide whether any of these programs, functions, or activities should be altered, expanded, or eliminated.

- The availability of management information systems that can readily integrate data from a variety of sources is essential to a successful program budgeting system. Capturing accurate and meaningful performance data is important, in part, because of the increased emphasis the legislature is placing on program information. Therefore, the capabilities of the department's management information system as related to program data should be addressed in the near future.

Report Organization

The remainder of this report is divided into the following chapters and appendixes:

- **Chapter 2** describes the Department of Social Services. This chapter gives the legal authority for the department and its programs as well as other information that describes the department and related boards and commissions. This chapter also compares the missions and goals of the department as reported in the 1996-97 executive budget to their legal authority. In addition, this chapter discusses programs, functions, and activities within the department that appear to be overlapping, duplicative, or outmoded.
- **Chapter 3** gives the results of our comparison of the department's missions, goals, objectives, and performance indicators as reported in the 1996-97 executive budget to established criteria. In addition, this chapter discusses whether the objectives and performance indicators collectively provide useful information for decision-making purposes.

- **Appendix A** is a list of references used for this audit.
- **Appendix B** is a list of boards, commissions, and like entities under the authority of DSS that we identified.
- **Appendix C** is a list of statutorily created programs within DSS.
- **Appendix D** is a listing of the statutorily created programs within each executive budget program.
- **Appendix E** is the Department of Social Services' response to this report.
- **Appendix F** is the Division of Administration - Office of Planning and Budget's response to this report.

Chapter 2: Department Overview

Chapter Conclusions

The Department of Social Services is responsible for developing and providing social services and improving social conditions for Louisiana citizens. It is also responsible for rehabilitating handicapped persons for employment. According to the 1996 General Appropriation Act, the department has a total of 6,448 authorized positions and an operating budget of approximately \$700 million.

The organization of the program information in the 1996-97 executive budget may cause confusion about the appropriation of funds for the department's statutorily created programs. The executive budget divides the department into four budget units with a total of 11 programs. However, these "programs" are actually groupings of several statutorily created programs. The executive budget programs each contain as many as 10 statutorily created programs. The executive budget does not always list which statutorily created programs are included in each executive budget program.

The missions and goals reported in the 1996-97 executive budget generally reflect the intent of the legislature as portrayed in underlying law. However, they may be too broad to provide adequate information for legislators to make informed funding decisions. The missions are so broad they do not encompass the legislative intent of all related statutorily created programs. Also, some statutorily created programs have no goals reported, and some goals that are reported encompass more than one statutorily created program.

Overlap and duplication may point to inefficiencies in the way services are provided. Therefore, all areas of potential overlap and duplication identified in this report should be reviewed to determine if any further action is necessary to address them. This would include two committees that may have duplicative functions (the Louisiana Advisory Committee on Licensing of Child Care Facilities and the Louisiana Committee on Private Child Care.) The functions of these two committees may also overlap with the functions of the Advisory Council of the Child Care Development Block Grant. In addition, seven statutorily created programs are responsible

for providing subsidies for child care services, although each targets a different client group. The department is currently in the process of consolidating four of these seven programs.

One committee (the Louisiana Child Care Challenge Committee), two commissions (the State Youth Planning Advisory Commission and the Louisiana Commission on Human Relations, Rights, and Responsibilities), and one statutorily created program (the Intergenerational Child Care Program) that are authorized in state law but not funded may be outmoded. Leaving the statutory structures of outmoded programs in place could cause confusion for legislators making programmatic decisions.

Department Creation and Purpose

DSS was created by Act 1 of 1988, which enacted R.S. 36:471. This law gives the department the responsibility “for the development and providing of social services and the improvement of social conditions for the citizens of Louisiana, and for the rehabilitation of handicapped persons for employment.”

Statutory Organization. The law creating DSS also states that the department shall be composed of the following offices:

- Office of the Secretary
- Office of Management and Finance
- Office of Family Support
- Office of Community Services

In addition, Louisiana Rehabilitation Services (LRS) is responsible for and performs the services and functions of the state relating to vocational rehabilitation programs and blind services programs. Administratively, LRS is placed within the Office of the Secretary, as required by R.S. 36:474 (F). While the law administratively places LRS under the Office of the Secretary, DSS considers it to be a programmatic office.

DSS contains 7 bureaus, 5 divisions, and 36 programs, for a total of 48 statutorily created programs. For purposes of this report, we considered “statutorily created programs” to mean individual programs, bureaus, and divisions either authorized by

state and federal laws or whose functions the secretary of DSS is authorized by state law to determine. The Office of the Secretary contains all seven bureaus. The Office of Management and Finance contains all five divisions. The Office of Family Support, the Office of Community Services, and Louisiana Rehabilitation Services contain all 36 programs. Refer to Appendix C for a listing of all statutorily created programs within DSS.

Office of the Secretary (OS). OS is the supervisory, management and support system for the Office of Management and Finance, Office of Family Support, and Office of Community Services. It has direct responsibility for and supervision of the deputy secretary, the undersecretary, the assistant secretary, LRS, and the seven bureaus.

Office of Management and Finance (OMF). OMF is the management support system for DSS. It is responsible for providing civil rights; fiscal; information; human resources; and budget, policy, planning, research, and evaluation services to the secretary and the various offices under the supervision of the secretary. OMF provides these services through its five divisions. OMF is also responsible for monitoring departmental policies and procedures to ensure compliance with state and federal laws.

Office of Family Support (OFS). OFS is responsible for administering the public assistance programs within DSS. Through these programs, OFS provides public assistance to dependent children and also to adults who, due to age, disability, or infirmity, are unable to adequately meet their basic needs. The office helps those who receive assistance and have children obtain education, training, and employment intended to help them avoid long-term welfare dependence. The office provides child care assistance to eligible families when needed to enable family members to maintain employment or to participate in education and training activities. OFS contains a total of 12 statutorily created programs.

Office of Community Services (OCS). OCS is responsible for providing comprehensive social services programs to children and families. In addition, OCS awards contracts for a number of community based programs designed to assist children and families. OCS provides its services through 16 statutorily created programs.

Louisiana Rehabilitation Services (LRS). LRS is responsible for providing vocational and other rehabilitation services to persons with disabilities through eight statutorily created

programs. These services are geared to empower persons with disabilities by enhancing their ability to secure and maintain employment and/or to function independently in their homes and communities.

**Many Statutes
Still Reference
DHHR****Over 300 Statutes for DSS Programs Still Reference
Department of Health and Hospitals**

Before the creation of DSS in 1988, most functions of DSS and the Department of Health and Hospitals (DHH) were part of the Department of Health and Human Resources (DHHR). Act 1 of 1988 abolished DHHR and formally created DSS and DHH. However, when DHHR was abolished, the legislature did not change all statutes that make reference to DHHR. We identified 338 statutes that still refer to DHHR.

According to the general counsels for DSS and DHH, this situation does not cause many problems, and correcting the statutes would be very time-consuming. However, we found it difficult to determine which department is responsible for several programs because the statutes give authority to DHHR. In addition, the general counsel for DSS stated that this situation sometimes confuses the public.

Matter for Legislative Consideration

- 2.1 The legislature may wish to consider whether it would be beneficial to amend all references to DHHR in the Louisiana Revised Statutes. The amount of time it would take to amend these statutes may be a deciding factor in this decision.**

Program Structure in Executive Budget Is Confusing

Executive Budget Programs Are Actually Groupings of Several Statutorily Created Programs

The program structure presented in the 1996-97 executive budget does not clearly present information on DSS's 48 statutorily created programs. There are 11 programs listed in the executive budget for DSS. These executive budget programs are actually groupings of several statutorily created programs. The executive budget does not, however, always list which statutorily created programs are included in each executive budget program. In addition, nearly one-fourth of the statutorily created programs are in more than one executive budget program. This presentation may result in confusion about the appropriation of funds for these programs. In addition, it hides the performance of some statutorily created programs. Many people involved in the budget process agreed that the executive budget program structure for DSS needs improvement.

Executive Budget Organization. The program information presented in the 1996-97 executive budget contains the following four budget units:

- Office of the Secretary
- Office of Family Support
- Office of Community Services
- Office of Rehabilitation Services (also known as Louisiana Rehabilitation Services or LRS)

The executive budget does not include OMF as a separate budget unit. According to a DSS official, the executive budget includes OMF within the Office of the Secretary. This official said that this organization is acceptable for DSS's budgeting needs.

According to the OPB planning analyst for DSS, the executive budget structure was jointly created in the late 1980s by OPB and legislative staff. The executive budget currently divides the four budget units into 11 programs, such as Program B (Client Services) and Program C (Client Payments). For purposes of this report, we refer to these programs as "executive budget programs." Each budget unit in DSS contains three executive budget programs, except for the Office of the Secretary, which contains two. Exhibit 2-1 on page 24 presents the structure of the DSS executive budget program information.

Exhibit 2-1**Structure of DSS Program Information in
1996-97 Executive Budget**

Office of the Secretary (Budget Unit 10-357)

Program A: Executive and Administrative Support

Program B: Child Care Services

Office of Family Support (Budget Unit 10-355)

Program A: Executive Administration and General Support

Program B: Client Services

Program C: Client Payments

Office of Community Services (Budget Unit 10-370)

Program A: Administration and Executive Support

Program B: Child Welfare Services

Program C: Community Based Services

Office of Rehabilitation Services (Budget Unit 10-374)

Program A: Executive and Administrative Support

Program B: Client Services

Program C: Client Payments

Source: Prepared by legislative auditor's staff using information from the
1996-97 executive budget.

The programs presented in the executive budget are actually groupings of several statutorily created programs. The 1996-97 executive budget for DSS contains 11 programs. However, we identified a total of 48 statutorily created programs within DSS. The executive budget programs are not statutorily created programs. Instead, they are groupings of multiple statutorily created programs. Appendix D lists the statutorily created programs that are actually contained within each executive budget program. As mentioned earlier, for our analysis we considered "statutorily created programs" to mean individual programs, bureaus, and divisions authorized by state and federal statutes. For example, executive budget Program B (Client Services) within the Office of Family Support actually contains nine

statutorily created programs, such as Aid to Families with Dependent Children (AFDC), Project Independence, and Child Support Enforcement.

We found that one executive budget program contains 10 statutorily created programs. Because most executive budget programs include several statutorily created programs, the executive budget program names are vague. As seen in Exhibit 2-1, the executive budget contains vague names for programs in OFS and LRS, such as Client Services and Client Payments. The executive budget uses more specific names for OS and OCS, such as Child Care Services and Child Welfare Services, but they are still vague. The names alone are not enough to allow a reader to determine which statutorily created programs are actually included within each executive budget program.

A reader may not be able to identify all statutorily created programs contained within each executive budget program. In addition to general executive budget program names, the 1996-97 executive budget does not list most statutorily created programs that are included in each executive budget program. Therefore, it is impossible to determine which statutorily created programs are included in each executive budget program without performing a detailed analysis.

R.S. 39:36 states that the executive budget “. . . shall be configured in a format so as to clearly present and highlight the programs operated by state government . . .” However, to determine which statutorily created programs are included within each executive budget program, we had to analyze state statutes, the executive budget, and various DSS reports. Not knowing which statutorily created programs are included in each executive budget program may cause confusion when appropriating funds among the various executive budget programs. This presentation also hides the performance of some of the 48 statutorily created programs.

Several statutorily created programs are included in more than one executive budget program. As stated earlier, there are a total of 48 statutorily created programs. We found that approximately 23 percent of these statutorily created programs (11 of 48) are included in more than one executive budget program. For example, the executive budget Program B (Client Services) and Program C (Client Payments) within LRS both include performance data for the statutorily created Vocational Rehabilitation Program. Including statutorily created programs in more than one executive

budget program may make it difficult for users of the executive budget to obtain complete information. Users would need to review more than one executive budget program to obtain all available information on these statutorily created programs. This situation may also cause confusion when appropriating funds among the various executive budget programs.

The title “Client Payments” for Program C in LRS may be misleading. The name of Program C within LRS is Client Payments. However, we found little performance data in the 1996-97 executive budget related to client payments. The information provided for the Client Payments Program is the same or similar to the information presented in Program B (Client Services). For instance, we found one performance indicator that is listed in both programs.

According to officials within LRS, the name Client Payments is misleading. The office does make direct payments to clients, but these payments are a small part of LRS’s operations. The OPB analyst for DSS agreed that the program name is misleading. He said he would reevaluate the executive budget program information structure of LRS.

Many people involved in the budget process agreed that the DSS executive budget program structure needs improvement. DSS officials, the OPB analyst for DSS, and the Louisiana House of Representatives Appropriation Committee budget analyst for DSS all agreed that the program structure needs to be reorganized. According to the OPB analyst, a change in executive budget structure can be initiated by either the OPB staff or the legislature. Therefore, OPB and DSS would need to work with legislative staff to create a program structure that is useful to all involved in the appropriation process. OPB and DSS officials also agreed that they need to work together during the budget process to ensure that performance data are complete and that the most important information is included in the executive budget.

Recommendations

- 2.1 DSS, OPB, and legislative staffs should work together to develop a structure for the executive budget program information that provides a complete view of all statutorily created programs. The revised program structure should meet the needs of all those involved in**

the appropriations process. Implementing this recommendation would help provide a clearer understanding of DSS's organization to help legislators make funding decisions.

- 2.2 DSS and OPB staffs should work together each year during the budget process to ensure that complete performance data are included in the executive budget. In addition, they should ensure that the most important information is presented to the legislature. Implementing this recommendation should help legislators receive all pertinent performance data for making funding decisions.**

Department Expenditures, Funding, and Staffing

Expenditures and Funding. According to the state's June 30, 1996, *Supplemental Information to the Comprehensive Annual Financial Report* (CAFR Supplement), DSS expenditures for the 1996 fiscal year totaled over \$666 million. The 1996-97 executive budget shows that the total recommended funding for DSS for the 1997 fiscal year was \$704 million. The appropriation letters sent to each of the budget units within DSS on July 1, 1996, show that the department's appropriation totaled nearly \$704 million.

Much of the department's funding comes from the federal government. Overall, according to the 1996 General Appropriation Act, about 64 percent of DSS's appropriation is funded by federal sources. Additional funding sources include state general funds, interagency transfers, state statutory dedications, and fees and self-generated revenues. Exhibit 2-2 on page 28 shows expenditures and federal funding data for the department.

Staffing. The 1996 General Appropriation Act shows that the department has 6,448 authorized positions. The Office of Family Support and the Office of Community Services account for over 85 percent of the authorized positions. Exhibit 2-2 on page 28 shows the number of authorized positions for DSS for each executive budget program.

Exhibit 2-2
Summary of Expenditures, Federal Funding, and Staffing Data
Department of Social Services

Executive Budget Programs	Actual Expenditures Fiscal Year 1996	Total Recommended Fiscal Year 1997	Total Appropriations Fiscal Year 1997	% of Appropriations from Federal Funds	Authorized Positions Fiscal Year 1997
Office of the Secretary					
Executive and Administrative Support	\$28,014,000	\$26,517,776	\$28,214,524		308
Child Care and Development Services	20,936,000	30,750,540	30,750,540		101
Total Office of the Secretary	48,950,000	57,268,316	58,965,064	47.7%	409
Office of Family Support					
Executive Administrative and General Support	26,282,000	29,905,406	29,890,186		143
Client Services	149,522,000	178,713,753	178,709,075		3,304
Client Payments	199,786,000	180,569,477	180,569,477		N/A
Total Office of Family Support	375,590,000	389,188,636	389,168,738	63.5%	3,447
Office of Community Services					
Administration and Executive Support	6,887,000	8,742,846	7,058,749		46
Child Welfare Services	161,503,000	168,614,440	167,857,489		2,010
Community Based Services	17,154,000	13,516,569	13,998,569		21
Total Office of Community Services	185,544,000	190,873,855	188,914,807	64.9%	2,077
Louisiana Rehabilitation Services*					
Executive and Administrative Support	3,023,000	3,696,952	3,696,952		48
Client Services	16,334,000	17,463,033	17,462,507		467
Client Payments	36,611,000	45,594,324	45,594,324		N/A
Total Louisiana Rehabilitation Services	55,968,000	66,754,309	66,753,783	74.8%	515
Total Department of Social Services	\$666,052,000	\$704,085,116	\$703,802,392	63.6%	6,448

Source: Prepared by legislative auditor's staff using information from the June 30, 1996, Comprehensive Annual Financial Report Supplement; the 1996 General Appropriation Act; the 1996-97 executive budget, the July 1, 1996, appropriation letters for each office within DSS; and the Office of Statewide Reporting and Accounting Policy.

* Also called the Division of Rehabilitation Services or Rehabilitation Services.

**Related Boards,
Commissions, and
Like Entities**

We identified 20 boards, commissions, and like entities that are under the authority of DSS. These entities are as follows:

- Advisory Council on the Child Care and Development Block Grant
- Blind Vendors Trust Fund Advisory Board
- Child Sexual Abuse Evaluation, Physician's Training Committee*
- Children's Justice Act Task Force
- Governor's Committee on Employment of the Physically Handicapped
- Governor's Rehabilitation Advisory Council
- Homeless Trust Fund Advisory Council*
- Interpreter Certification Board
- Louisiana Advisory Committee on Licensing of Child Care Facilities and Child Placing Agencies (Class A)
- Louisiana Child Care Challenge Committee
- Louisiana Children's Trust Fund Board
- Louisiana Commission for the Deaf
- Louisiana Commission on Human Relations, Rights, and Responsibilities
- Louisiana Committee on Private Child Care (Class B)
- Louisiana Interagency Action Council for the Homeless
- Louisiana Refugee Resettlement Program Advisory Council
- Louisiana Welfare Reform Coordinating Committee
- State Youth Planning Commission

- Telephone Access Program Board
- Traumatic Head and Spinal Cord Injury Trust Fund Advisory Board

* Abolished by Act 1116 of the 1997 Regular Legislative Session.

Appendix B provides further information about these boards, commissions, and like entities. The only one that we could trace to a line item in the executive budget is the Children's Trust Fund Board. The Children's Trust Fund is listed as a line item in the 1996-97 executive budget. The Children's Trust Fund Board receives funding from this trust fund, according to a DSS official. As a result, this would have been the only board, commission, or like entity we would have included in our analysis of performance data presented in the executive budget (i.e., missions, goals, objectives, and performance indicators). However, we found no performance data related to this board in the 1996-97 executive budget.

Based on documents provided by DSS and a review of state law and executive orders, DSS officials are required to attend the meetings of 16 other boards, commissions, and like entities. These entities and the department to which they are related are listed as follows:

- Cabinet Advisory Group on Economic Development (Executive Department, Office of the Governor)
- Child and Adolescent Service System Program Committee* (Executive Department, Office of the Governor)
- Coordinating Council for Children and Families* (Executive Department, Office of the Governor)
- Council to Prevent Chemically Exposed Infants (Department of Health and Hospitals)
- Drug Policy Board (Executive Department, Office of the Governor)
- Louisiana Commission on HIV and AIDS (Executive Department, Office of the Governor)

- Louisiana Database Commission - must attend in the future (Executive Department, Office of the Governor)
- Louisiana Housing Finance Agency (Department of Treasury)
- Louisiana Occupational Information Coordinating Committee (Department of Labor)
- Louisiana State Child Death Review Panel (Department of Health and Hospitals)
- Louisiana State Interagency Coordinating Council for CHILDNET: Louisiana's Early Intervention Program for Infants and Toddlers with Special Needs and Their Families (Department of Education)
- Louisiana Worker's Compensation Second Injury Board (Department of Labor)
- School-to-Work Council (Executive Department, Office of the Governor)
- Statewide Independent Living Council (Executive Department, Office of the Governor)
- Task Force on Economic Self Sufficiency (Department of Economic Development and Department of Labor)
- The Children's Cabinet (Executive Department, Office of the Governor)

* Abolished by Act 1116 of the 1997 Regular Legislative Session.

**Missions and
Goals Generally
Consistent With
Law**

**Missions and Goals Reported in 1996-97 Executive
Budget Are Generally Consistent With Law**

We reviewed federal laws, the state constitution, and state statutes governing DSS to determine if the missions and goals reported in the 1996-97 executive budget are consistent with legislative intent and legal authority. We found that all program

missions and goals are supported by state and/or federal law. However, the program missions are broad in order to encompass the legislative intent and legal authority of all related statutorily created programs. The specific legislative intent of each statutorily created program is lost in these missions. In addition, many of the goals are broad and encompass more than one statutorily created program. Therefore, the missions and goals may not provide adequate information for legislators to make informed funding decisions about individual DSS programs.

As mentioned earlier, each executive budget program contains several statutorily created programs. Therefore, we compared the missions and goals for each executive budget program to the legal authority of all related statutorily created programs. We found that all missions and goals are supported by state and/or federal law. However, the program mission for the Child Care Services Program within the Office of the Secretary does not include all of its related statutorily created programs.

The Bureau of Licensing is one of three bureaus, which we refer to as statutorily created programs, within the Child Care Services Program. The program mission is to provide child care services to indigent and the working poor. However, the Bureau of Licensing deals with more than just providing child care services. The bureau also licenses child and adult facilities, but the mission makes no mention of this function. Because the mission does not completely characterize all statutorily created programs, users of the executive budget might not fully understand the scope and purpose of the Child Care Services Program.

The executive budget program missions are too broad to encompass the legislative intent and legal authority of all related statutorily created programs. The executive budget programs each contain as many as 10 statutorily created programs. This means that the program missions have to be consistent with the legislative intent of several different statutorily created programs. Because several statutorily created programs are grouped into single executive budget programs, the specific legislative intent for each of the statutorily created programs is lost.

The goals for OCS and LRS are broad and encompass more than one statutorily created program. Several goals reported for OCS and LRS in the executive budget relate to more than one statutorily created program. While OS and OFS have goals for some specific statutorily created programs, not all statutorily created programs within these offices have goals. As a

result, users of the executive budget cannot tell what these statutorily created programs are intended to accomplish and what their primary activities are.

**Some Functions
May Be
Duplicative,
Overlapping, or
Outmoded**

**DSS's Related Entities and Statutorily Created
Programs Have Functions That May Be
Duplicative, Overlapping, or Outmoded**

Two committees related to DSS may have duplicative functions. The functions of these two committees may also overlap with the functions of one council. Also, seven statutorily created programs encompassing all offices of DSS provide subsidies for child care services. While these seven programs appear to be duplicative, each program provides the subsidies to a different target group. Duplication and overlap may point to inefficiencies in the way services are provided. Therefore, all areas of potential duplication and overlap should be reviewed to determine if any further action is necessary to address them. Furthermore, one committee, two commissions, and one statutorily created program are currently unfunded and inactive. If these entities are outmoded, maintaining their statutory structures may cause confusion for legislators making programmatic decisions. We did not find any statutorily created programs with obvious overlapping functions.

R.S. 24:522 requires us to identify overlapping and outmoded functions in agencies of state government. In addition, we identified potentially duplicative functions. To begin addressing these issues, we compared the statutory purposes of all statutorily created programs, boards, commissions, and like entities to determine if the potential for overlap, duplication, or outmoded functions exists. We also reviewed DSS budget request information and a 1996 DSS Sunset Report, and we interviewed agency personnel. We defined overlap as instances where two or more programs, boards, commissions or like entities appear to perform different activities or functions for the same or similar purposes. We defined duplication as instances where two or more programs, boards, commissions, or like entities appear to conduct identical activities or functions for the same or similar purposes. We defined outmoded as those programs, activities, or functions that appear to be outdated or are no longer needed.

Because of time constraints, we did not complete an in-depth review for each instance of potential overlap, duplication, or

outmodedness. The work completed will serve as a basis for future reviews and analyses.

Two committees are responsible for developing minimum standards for licensure of day care facilities. The Louisiana Advisory Committee on Licensing of Child Care Facilities is responsible for developing minimum standards for licensure of Class A day care facilities. The Louisiana Committee on Private Child Care is responsible for developing minimum standards for licensure of Class B day care facilities. The difference between these two committees is that they are responsible for developing standards for different classes of day care facilities. However, since they both basically do the same thing, they appear to be potentially duplicative.

The functions of these two committees may also overlap with the functions of the Advisory Council of the Child Care and Development Block Grant. According to state law, the advisory council makes recommendations to DSS for the expenditure of the block grant funds. It also advises the state on various ways to upgrade child care in Louisiana day care centers. Finally, it helps the state develop a long-range plan for day care. Advising on ways to upgrade child care in day care centers may overlap with the purpose of the two day care licensing committees. All three of these entities are aimed at improving day care. As a result, the state may be using more resources than necessary to provide these services. Therefore, these areas of potential overlap and duplication should be reviewed further.

DSS has seven statutorily created programs responsible for providing subsidies for child care services. Every office within DSS has at least one program to provide these subsidies. There are a total of seven such programs within DSS. They are:

- Child Care Assistance Program (formerly located within OS, presently located within OFS)
- AFDC Child Care Program (the name of this program was changed to the Family Independence Temporary Assistance Program because of welfare reform, located within OFS)
- Transitional Child Care Program (located within OFS)

- Project Independence Program (the name of this program was changed to the Family Independence Work Program because of welfare reform, located within OFS)
- Child Care Services/Protective Program (located within OCS)
- Foster Care Program (located within OCS)
- Vocational Rehabilitation Program (located within LRS)

The last four programs are responsible for other functions in addition to providing subsidies for child care.

While all seven programs are responsible for providing subsidies for the same type of service and thus appear to be duplicative, each program services a different target group. A 1996 report prepared by DSS titled *Background Sunset Information for the Joint Committee on Health and Welfare* acknowledges that these day care programs appear to be duplicative. However, the report states, ". . . each subsidy program has a different funding source, with federal regulations that often conflict between programs, and different target populations. . ." The report also states that DSS coordinates planning and funding for these child care services.

According to a DSS official, the federal government is combining the funding sources of four of these day care subsidy programs because of welfare reform. Therefore, DSS is in the process of consolidating these four programs. The AFDC Child Care Program, the Transitional Child Care Program, and Project Independence Child Care will all be combined with the Child Care Assistance Program on October 1, 1997. DSS officials said that all day care programs may be combined in the future.

One committee, two commissions, and one statutorily created program may be outmoded. According to a 1996 DSS Sunset Review Report, the Louisiana Child Care Challenge Committee and the Intergenerational Child Care Program were never funded or implemented. Other information provided by DSS states that the State Youth Planning Advisory Commission and the Louisiana Commission on Human Relations, Rights, and Responsibilities are inactive. These documents state that the one committee, two commissions, and one program should be

considered for abolishment. If these programs are outmoded, maintaining their statutory structure may cause confusion for legislators making programmatic funding decisions. Therefore, they should be reviewed further.

In summary, our purpose was to identify potentially overlapping, duplicative, or outmoded areas for further review. The extent of our work was to compare the purposes of programs and related entities as portrayed in law and to note similarities. In addition, we interviewed agency personnel and reviewed DSS budget information. We did not conduct individual performance audits to determine if overlap or duplication is actually occurring or whether programs are actually outmoded. Before a final determination is made, it is important that the areas we have pointed out as potentially overlapping, duplicative, and outmoded are studied in more detail.

Matters for Legislative Consideration

- 2.2 The legislature may wish to review the areas of potential overlap and duplication noted in this chapter. Based on the review, the legislature may determine that the deficiencies can easily be corrected by revising state statutes or directing the department to streamline and coordinate these areas. Alternatively, the legislature may consider requesting our office or other staff to conduct a more detailed review of these entities.**
- 2.3 The legislature may wish to consider whether to fund or abolish the Louisiana Child Care Challenge Committee; the State Youth Planning Advisory Commission, the Louisiana Commission on Human Relations, Rights, and Responsibilities; and the Intergenerational Child Care Program, which are all unfunded and inactive according to DSS budget request information and the 1996 Sunset Report.**

Chapter 3: Analysis of Performance Data

Chapter Conclusions

The absence of complete information for each statutorily created program in the 1996-97 executive budget makes it difficult for the legislature to determine program progress and make informed funding decisions. For example, the executive budget does not include performance data for nearly one-third of DSS's 48 statutorily created programs. In addition, less than 15 percent of the statutorily created programs have a goal, objective, and indicator reported in the executive budget. Also, the reported missions are not specific to any one statutorily created program.

Because of the way missions are portrayed in the executive budget, a user may not understand the importance of this information. The executive budget does not report an overall mission for DSS. Also, the office and program missions are not labeled as such. The missions do, however, identify the purpose and clients or customers, and they are organizationally acceptable.

The executive budget also does not report goals for 3 of the 11 executive budget programs. However, over 90 percent of the goals that are reported are consistent with the associated missions, and over two-thirds provide a sense of direction on how to address those missions. Thus, these goals provide useful information. However, only 8 of the 48 statutorily created programs have their own goal reported in the executive budget.

Overall, the objectives reported in the executive budget do not provide sufficient information to show what the executive budget programs are attempting to accomplish. They are also not useful for making informed budgetary decisions. This is primarily because the majority of objectives (nearly 60 percent) are not measurable or timebound. That is, they do not specify desired levels of performance that the department is striving toward or the target dates for accomplishment. However, most of the objectives are consistent with the goals and specify desired end results.

The performance indicators reported for DSS in the executive budget do not show whether progress is being made toward achieving the stated objectives. While most are clear and consistent with the objectives, the majority are not associated with measurable objectives toward which to measure progress. In addition, nearly two-thirds are output indicators, and only 5 percent are outcome measures. Overall, DSS does have a mix of different types of indicators, but the mix could be improved.

Analysis Conducted

We analyzed the performance data (i.e., missions, goals, objectives, and performance indicators) presented for DSS in the program information volume of the 1996-97 executive budget. Using a set of core criteria, we evaluated 15 missions, 14 goals, 37 objectives, and 191 performance indicators. We developed the core criteria using various sources, including *Manageware* and information provided by several program budgeting experts. The criteria used in our analysis are described in Exhibit 3-1 on page 39. In addition, we analyzed the departmental mission statement furnished to us by the department, which was not included in the executive budget.

We also evaluated the collective usefulness of the objectives and performance indicators. We determined whether the objectives for each executive budget program provide information to determine what the programs are attempting to accomplish. We also determined whether legislators or others could use the objectives to make informed program decisions. Furthermore, we determined whether the performance indicators for each objective provide information to enable users to determine progress made towards achieving the objectives. We also determined whether legislators (or others) could use the indicators to make informed decisions regarding the program.

On the following pages, we first present the results of our analysis for DSS as a whole (pages 40 through 52.) We then present the results of our analysis for each DSS office (pages 53 through 69.)

Exhibit 3-1**Criteria Used to Evaluate Performance Data
Included in the 1996-97 Executive Budget**

MISSION: A broad, comprehensive statement of purpose

- √ Identifies overall purpose for the existence of the organization, department, office, institution, or program as established by constitution, statute, or executive order
 - √ Identifies clients/customers of the organization or external and internal users of the organization's products or services
 - √ Organizationally acceptable
-

GOAL: The general end purpose toward which effort is directed

- √ Consistent with department, program, and office missions
 - √ Provides a sense of direction on how to address the mission; reflects the destination toward which the entity is striving
-

OBJECTIVE: A specific and measurable target for accomplishment

- √ Consistent with goals
 - √ Measurable
 - √ Timebound
 - √ Specifies desired end result
-

PERFORMANCE INDICATOR: Tool used to measure performance of policies, plans, and programs

- √ Measures progress toward objective or contributes toward the overall measurement of progress toward objective
 - √ Consistent with objective
 - √ Clear, easily understood, and non-technical
-

Source: Prepared by legislative auditor's staff based on input from *Manageware*, GASB, the federal Office of Management and Budget, and the Urban Institute to show criteria used to evaluate the department's performance data.

Results of Analysis for DSS as a Whole

Some Statutorily Created Programs Have No Performance Data Reported

The Executive Budget Does Not Report Performance Data for Some Statutorily Created Programs

The 1996-97 executive budget does not include any performance data for nearly one-third of DSS's statutorily created programs. Also, less than 15 percent of the statutorily created programs have goals, objectives, and performance indicators reported. The absence of this performance data makes it difficult for the legislature to determine program progress and make informed funding decisions.

The 1996-97 executive budget does not include performance data for nearly one-third of the statutorily created programs. There are a total of 48 statutorily created programs within DSS. As mentioned in Chapter 2, we considered "statutorily created programs" to mean individual programs, bureaus, and divisions authorized by state and federal statutes. We found that there are no performance data reported in the executive budget for 15 of these 48 (31.3 percent) statutorily created programs. None of the statutorily created programs within the Office of Management and Finance have performance data reported.

None of the statutorily created programs have missions reported specifically for those programs. According to the Assistant Director of Research with GASB, it is not necessary for each program to have a mission. However, having missions for some programs is helpful. Therefore, developing missions for at least some of the statutorily created programs would provide legislators with more useful information on program purposes and clientele.

Only 17 percent of the statutorily created programs have goals reported in the executive budget specifically for those programs. For example, none of the 16 statutorily created programs within OCS have goals reported specifically for those programs. The executive budget does report three goals for OCS; however, none of these goals specifically relate to any one particular statutorily created program.

Also, less than half of the statutorily created programs have objectives reported specifically for those programs. For example, only 2 of the 12 statutorily created programs within OS have objectives reported specifically for those programs. Of the 22 statutorily created programs within DSS that have objectives reported specifically for those programs, only 4 have more than one objective.

Finally, only two-thirds of the statutorily created programs have performance indicators reported specifically for those programs. Each of the four offices has at least one statutorily created program without indicators reported. Altogether, only 7 of the 48 statutorily created programs (15 percent) have goals, objectives, *and* indicators reported in the executive budget specifically for those programs. Exhibit 3-2 below summarizes this information.

Exhibit 3-2

**Department of Social Services
Summary of Performance Data Reported Specifically for the
Statutorily Created Programs in the
1996-97 Executive Budget**

Statutorily Created Programs With Missions Reported	0 of 48 (0%)
Statutorily Created Programs With Goals Reported	8 of 48 (17%)
Statutorily Created Programs With Objectives Reported	22 of 48 (46%)
Statutorily Created Programs With Performance Indicators Reported	32 of 48 (67%)
Statutorily Created Programs With Goals, Objectives, and Performance Indicators Reported	7 of 48 (15%)

Source: Prepared by legislative auditor's staff based on information from the 1996-97 executive budget.

The absence of performance data for some statutorily created programs means the legislature does not have the necessary information to determine program progress and make informed

funding decisions about those programs. As mentioned in Chapter 2, the 1996-97 executive budget does not list most of the statutorily created programs that are included in each executive budget program. Therefore, without analyzing the performance data in detail, a legislator may not know that some information for the statutorily created programs is missing.

Recommendations

As indicated in Recommendation 2.2, the staffs of DSS and OPB should work together to ensure that the most important information is presented to the legislature in the executive budget.

- 3.1 DSS and OPB staffs should work together to determine which statutorily created programs need missions and goals. Once this determination is made, they should ensure that these missions and goals are reported in the executive budget. Including the missions would help ensure that legislators receive all pertinent information regarding the purpose and clientele of individual programs. Including the goals would help communicate how program missions are to be accomplished.**
- 3.2 DSS and OPB staffs should work together to ensure that each statutorily created program has objectives and performance indicators reported in the executive budget. Implementing this recommendation would help ensure that information on progress made toward specific targeted levels of performance by the individual programs is communicated to the legislators. The legislators could then use this information to make funding decisions.**

No Clearly Identified Missions in the Executive Budget**No Departmental Mission and No Clearly Identified Office or Program Missions in the 1996-97 Executive Budget**

The 1996-97 executive budget does not contain a departmental mission for DSS. However, we identified a departmental mission in other DSS documents. If the departmental mission is not included in the executive budget, users of the executive budget may not understand the overall purpose and clientele of the department. In addition, the executive budget does not label the office and program missions as such. Instead, there are statements included in the narrative program descriptions that the OPB planning analyst for DSS identified as the missions. Because the office and program missions are not clearly identified, users of the budget might not understand the importance of this information.

The 1996-97 executive budget does not contain a departmental mission for DSS. However, an agency official directed us to other documents where the mission can be found. The departmental mission is located in a publication from January of 1996 titled *Overview of the Department of Social Services*, which is prepared by the Office of Management and Finance. It is also included in DSS's strategic plan.

In addition, the executive budget does not label the office and program missions as such. Instead, it includes statements about the 4 offices and 11 programs in the narrative program descriptions. We reviewed the program descriptions with the OPB planning analyst responsible for DSS. He helped us identify the office and program missions within these descriptions, which we included in our analysis. However, because these missions are not clearly labeled as such, users of the executive budget might not understand the importance of this information.

Recommendation

- 3.3 OPB should ensure that the departmental, office, and program missions are clearly labeled as such in the executive budget. Implementing this recommendation would help users of the executive budget understand the importance of this information as it relates to program purposes and clientele.**

**Office and
Program
Missions Meet
Core Criteria**

**DSS Office and Program Missions Provide Some
Useful Information**

The missions reported for the DSS offices and programs in the 1996-97 executive budget meet all core criteria. That is, they identify the purpose, identify the clients or customers, and are organizationally acceptable. As a result, the missions provide some useful information to legislators for decision making. However, as mentioned in Chapter 2, the executive budget program missions are too broad to encompass the legislative intent and legal authority of all related statutorily created programs. Thus, the specific legislative intent for each statutorily created program is lost. Even though the missions meet the core criteria, they would be more useful if this level of detail were not lost.

All DSS missions found in the 1996-97 executive budget and the overall mission provided by DSS meet our established core criteria. We analyzed 16 missions for DSS. They include one departmental mission, one mission for each of the 4 offices, and one mission for each of the 11 programs. We found that all 16 generally identify the overall purpose of the department, office, or program as established by law. (See Chapter 2 for our comparison of the missions to legislative intent.) We also found that all of the missions clearly identify targeted clients or customers. In addition, we found that all are organizationally acceptable. We considered a mission to be organizationally acceptable if it was found in the department's operational plan or if department officials agreed that it was acceptable to them. Finally, we found that all of the missions are consistent, if applicable, with the higher level mission. That is, the program missions are consistent with the office missions, and the office missions are consistent with the departmental mission.

While all missions include a purpose, they are broad. As mentioned in Chapter 2, the program missions are broad to encompass several related statutorily created programs. The executive budget programs each contain as many as 10 statutorily created programs. The purposes found in the program missions must be broad enough to encompass the purposes of all related statutorily created programs. The specific legislative intent for each statutorily created programs is lost in these missions.

See pages 53, 57, 62, and 66 for our analysis of the missions reported for each of the four DSS offices.

**Most Goals
Reported Meet
Core Criteria****While Most of the Goals Reported in the Executive Budget Provide Useful Information, Several Executive Budget Programs Do Not Have Goals Reported**

The majority of goals reported in the 1996-97 executive budget are consistent with the associated missions. They also provide a sense of direction on how to address the missions and reflect the destinations toward which the programs are striving. As a result, these goals provide some useful information for decision makers. However, there are no goals reported for some executive budget programs. In addition, only 17 percent of the statutorily created programs have their own goals reported. While the reported goals meet most of the core criteria, the small number of goals may hinder legislative decision making.

Over 90 percent of the goals reported are consistent with the associated mission; over two-thirds provide a sense of direction on how to address the mission and reflect the destination toward which the program is striving. The 1996-97 executive budget program information for DSS contains a total of 14 goals. We found that all but one of these goals are consistent with the associated missions. In the one exception, the client group described in the goal is different than the client group described in the program mission. Because of this inconsistency, a user of the executive budget would not be able to tell who this program actually serves.

We also found that over two-thirds of the goals (10 of 14) provide a sense of direction on how to address the mission and reflect the destination toward which the entity is striving. However, two goals are less specific than the missions. The mission and goal in these two instances may need to be reversed. We also found that another goal is almost identical to the mission. Therefore, it provides no additional information. Finally, one goal gives a sense of direction on how to address the mission. However, it does not reflect the destination toward which the program is striving.

There are no goals reported for approximately 27 percent of the executive budget programs. The executive budget does not contain goals for 3 of its 11 programs. OS, OFS, and OCS each have one executive budget program with no goals reported. In addition, as seen earlier in this chapter, only 8 of the 48 statutorily created programs (17 percent) have their own goals

reported in the executive budget. Goals are needed because they provide a sense of direction on how to address the missions. They also reflect the destination toward which the programs are striving. Without this information, users of the executive budget may not understand what the programs are intended to accomplish and the primary activities the programs undertake to accomplish those things.

See pages 54, 57, 62, and 66 for our analysis of the goals reported for each of the four DSS offices.

Recommendation

3.4 DSS and OPB staffs should work together to ensure that all goals provide a sense of direction on how to address the missions and reflect the destination toward which the programs are striving. The goals should also be consistent with the associated missions. DSS and OPB should ensure that the specific deficiencies we identified in the goals of each DSS office (which are described in further detail in subsequent sections of this report) are corrected. Implementing this recommendation would provide clearer information to legislators for use in budgetary decision making.

Few Objectives Measurable or Timebound

The Majority of Objectives Reported Are Not Measurable or Timebound

The majority of objectives reported for DSS in the 1996-97 executive budget are neither measurable nor timebound. Most of the objectives, however, are consistent with the goals and are results-oriented. Objectives that are neither measurable nor timebound do not specify desired levels of performance that the agency is striving toward or the target dates for accomplishment. Because such objectives provide no standard to measure against, legislators making budgetary decisions cannot tell how well the statutorily created programs are performing against standards. In addition, legislators will not know how timely the programs' accomplishments are being made.

Nearly 60 percent of the objectives are neither measurable nor timebound. Overall, we found that over two-thirds of the objectives reported in the 1996-97 executive budget (25 of 37) are not measurable. The only offices with measurable objectives are OFS and LRS. It is important to include objectives that are measurable so that users of the executive budget can see the targeted levels of performance. Without specific targets for accomplishment, it is difficult to measure progress made toward the objectives.

We also found that nearly 60 percent of the objectives (22 of 37) do not include time frames for achievement. The only offices with timebound objectives are OFS and LRS. When time frame references are not included in objectives, users of the information may not be able to determine whether the program's accomplishments are achieved in a timely manner. All 22 of the objectives that do not have time frames for achievement also lack measurability.

Most of the objectives are consistent with the goals and specify desired end results. Nearly all objectives that have goals associated with them are consistent with those goals. However, as mentioned earlier, three executive budget programs have no goals. Therefore, nearly one-third of the objectives (13 of 37) are not associated with a particular goal. For those objectives, we could not assess consistency with goals. Therefore, it is impossible to determine if the objectives are consistent with the direction of the program.

We found that most of the remaining objectives that are associated with particular goals are consistent with those goals (23 of 24). In addition, over two-thirds of the objectives have desired end results that are clearly stated (26 of 37). This is important because objectives that have desired end results may help to avoid confusion during decision making.

See pages 54, 58, 63, and 67 for our analysis of the objectives reported for each of the four DSS offices.

Recommendation

- 3.5 DSS and OPB staffs should work together to ensure that all objectives specify desired end results. They should also ensure that the objectives are measurable, timebound, and consistent with associated goals. Implementing this recommendation will help communicate to legislators how well the statutorily created programs are performing against targeted levels of accomplishment.**

Indicators Need Better Objectives

Many Performance Indicators Reported Are Associated With Non-Measurable Objectives

The majority of performance indicators included in the 1996-97 executive budget are consistent with objectives and are easy to understand. However, only 20 percent measure progress toward objectives because many of the objectives are not measurable. When indicators do not measure progress toward objectives, users of the executive budget may not know how well the programs performed what they were supposed to accomplish. Also, there are no performance indicators reported for the administrative and executive support type programs in two of DSS's four offices. Therefore, users of the executive budget cannot tell how well these programs are performing.

Most indicators are consistent with associated objectives and are also clear. We found that 161 of the 191 indicators reported (84 percent) are consistent with the respective objectives. In addition, 154 are clear, easily understandable, and non-technical (81 percent). Performance indicators that are not consistent with the respective objectives or are not clear may confuse legislators during decision making.

Most of the indicators are not associated with measurable objectives. Of the 191 indicators listed in the executive budget, only 66 (35 percent) are associated with measurable objectives. Only 39 of these 66 indicators actually measure progress toward the associated objectives. Therefore, only 20 percent of the indicators (39 of the 191) measure progress toward stated objectives. Since most of the indicators do not

measure progress, users of the executive budget cannot use them to tell how well the programs are performing against expected results.

Overall, we found that 40 indicators are associated with objectives that are not measurable but are specific. For example, an objective that reads “to increase the number of substitute family homes” is somewhat specific, but lacks a target measure. An indicator showing the number of substitute family homes would measure progress if the objective included a specific target, such as to increase the number of substitute family homes by a certain percentage. Adding specific targets to these objectives would allow nearly three-fourths of these indicators to measure progress toward the objectives.

We also found that the remaining 85 indicators are associated with objectives that are not measurable and are broad in nature. For example, the first objective reported for the Child Welfare Services program in OCS is “To make available to Louisiana families and children a well integrated range of quality children and family services designed to identify, prevent, or ameliorate the damaging effects of child abuse or neglect.” There are 40 performance indicators associated with this objective. However, indicators cannot measure progress toward objectives such as this one because the objectives are not specific and do not contain target measures. Objectives must be specific and include targets for accomplishment before the indicators can measure progress toward them.

Once the objectives are made measurable and specific, many of the performance indicators reported may no longer be consistent with the objectives. Therefore, the indicators will need to be reevaluated to determine if new indicators need to be added or existing indicators need to be deleted. Also, not all indicators that are relevant to the department need to be reported externally in the executive budget. Indicators that are better suited for internal management purposes may not need to be reported in the executive budget. However, indicators that are useful to legislators for programmatic decision-making purposes should be reported in the executive budget. GASB recognizes a distinction between indicators that should be reported internally versus those that should be reported externally.

There are no performance indicators in the executive budget for the administrative and executive support type programs in two of the four offices. OCS and LRS have no performance indicators reported for their administrative and

executive support type programs. Without performance indicators, users of the executive budget cannot tell how well these programs performed what they were supposed to accomplish.

According to the assistant director of research at GASB, performance indicators should be developed for administrative and support type programs and functions. He does not recommend measuring the performance of administrative and support type programs by the performance of other programs or the department as a whole. Instead, administrative and support programs should measure their performance related to activities for which they are directly responsible. For example, payroll, personnel, and inventory control are administrative support services for which different types of performance indicators could be developed. In addition, the performance of administrative oversight could be measured by determining whether the administrative program ensures that the other programs develop performance data and that proper policies are in place.

See pages 55, 59, 63, and 68 for our analysis of the performance indicators reported for each of the four DSS offices.

Recommendations

- 3.6 Once DSS and OPB staffs develop measurable objectives, they should reevaluate the performance indicators to determine whether they are clear and whether they are consistent with and measure progress toward the new objectives. In addition, DSS and OPB staffs should reevaluate all objectives and indicators reported in the executive budget to determine if the most useful information for legislators and other users is included. Those that are better suited for internal use by the department may not need to be reported in the executive budget. Implementing this recommendation should help ensure that users of the executive budget receive better information on how well the programs performed what they were supposed to accomplish.**
- 3.7 DSS and OPB staffs should work together to develop administrative and executive support type performance indicators based on activities for which those programs are directly responsible. Implementing this**

recommendation should help users of the executive budget determine how well the administrative and support programs performed what they were supposed to accomplish.

**Performance
Indicators
Primarily
Measure Output**

**Few Performance Indicators Reported in the 1996-97
Executive Budget Measure Outcome**

The majority of performance indicators included in the 1996-97 executive budget measure output. Although 6 of the 11 executive budget programs have some outcome indicators, overall, only 5 percent of the indicators are outcome measures. DSS does have a mix of indicators reported in the executive budget. However, adding more outcome indicators would provide more useful information for decision making.

Nearly two-thirds of the indicators in the 1996-97 executive budget are output indicators. As seen in Exhibit 3-3 on page 52, we found that the majority of the performance indicators reported (65 percent) measure output. Sixteen percent are efficiency measures, 8 percent are input measures, and 6 percent are quality measures. Only 5 percent measure outcome, and there is no explanatory information reported. According to *Manageware*, outcome indicators are the most important type of performance measure because they show whether or not expected results are being achieved.

According to GASB and *Manageware*, programs should develop a mix of the different types of indicators. What this mix should contain may be different for each program. When a mix is properly developed, the indicators communicate more complete information on program progress and performance.

Five of the 11 executive budget programs (45 percent) do not have any outcome measures associated with them. There are no indicators reported at all for two of these programs. Four other programs have only one outcome indicator reported per program. Without outcome measures, decision makers will not know whether expected results are being achieved.

We also noted that there is no explanatory information reported. GASB recommends reporting explanatory information

with the performance indicators. Explanatory notes can include a variety of information about the environment and other factors that might affect an organization's performance.

Exhibit 3-3		
Department of Social Services		
Types of Performance Indicators Reported in the		
1996-97 Executive Budget		
Type of Indicator	Number of Indicators	Percentage of Total
Output	123	65%
Efficiency	30	16%
Input	16	8%
Quality	12	6%
Outcome	10	5%
Explanatory Information	0	0%
Total	191	100%
Source: Prepared by legislative auditor's staff based on information from the 1996-97 executive budget.		

Recommendation

- 3.8 DSS and OPB staffs should work together to improve the mix of performance indicators reported in the executive budget by developing additional outcome indicators for all executive budget programs. They should also consider eliminating some currently published output measures. In addition, explanatory information should be included where appropriate. Implementing this recommendation should help legislators make funding decisions by showing whether or not expected results are being achieved.**

Results of Analysis for Individual DSS Offices

OS Performance Data Need Improvement

The Executive Budget Does Not Provide Complete Performance Data for the Office of the Secretary (OS)

The 1996-97 executive budget does not report any performance data for many of the statutorily created programs contained within OS. The missions and most of the goals that are reported provide some useful information to legislators for decision making. However, one goal is not consistent with the associated mission. In addition, the executive budget does not include a goal for one of the programs within OS. This situation may hinder legislators when making programmatic funding decisions. Also, none of the objectives that are reported are measurable or timebound, and most of them are broad in nature. Thus, these objectives may not provide legislators or other external users with the information needed to know what the program is attempting to accomplish. Since the objectives are not measurable, it may not be possible for the indicators to show whether progress is being made toward achieving the stated objectives.

Lack of Performance Data. The statutorily created programs contained within OS consist of seven bureaus and five divisions. (See Appendix D for details.) As stated in Chapter 2, the divisions are part of the Office of Management and Finance, which, for budgeting purposes, are included within OS. The executive budget does not include performance data for three of the seven bureaus or for any of the five divisions. Without performance data for these bureaus and divisions, a user of the executive budget does not have sufficient information to make decisions regarding this office.

Missions. The executive budget contains a total of three missions within OS. There is one office mission and one mission for each of the two executive budget programs. We found that all three missions identify the purpose, identify the clients, and are organizationally acceptable. Also, all missions are consistent with the higher level mission statement. Therefore, they contain some useful and pertinent information for decision makers. However, as mentioned in Chapter 2, the executive budget missions are too

broad to encompass the legislative intent and legal authority of all related statutorily created programs.

Goals. We found that two of the three goals reported for OS are consistent with the missions. They also provide a sense of direction on how to address the missions and reflect the destinations toward which the programs are striving. Thus, these goals provide some useful information to legislators for decision making.

The remaining goal is for the Child Care Services Program. This goal provides direction on how to address the mission and reflects the destination toward which the program is striving. However, it is not consistent with the mission. The program's goal is to ". . . enhance the quality and increase the supply of child care for all families in Louisiana. . . ." The mission states that this program ". . . provides child care services to indigent and the working poor . . ." The goal includes a larger client group than the mission. Because of this, users of the executive budget may not be able to tell who this program actually serves.

In addition, we noted that there are no goals reported in the executive budget for the Executive and Administrative Support Program within OS. Without goals, the legislature cannot determine the general end purpose toward which the program's efforts are directed.

Finally, we found that one goal for the Child Care Services Program does not have any related objectives or indicators. This goal deals with maintaining effective communication with all parties involved with child care. However, neither of the two objectives nor any of the indicators reported for this program address this issue. This situation supports our recommendation 3.1 that all goals should be reviewed by department and OPB officials to determine which ones should be included in the executive budget.

Objectives. None of the three objectives reported in the executive budget for this office meet all core criteria. None of the objectives are measurable or timebound. Two are consistent with the goals. We were unable to determine the consistency of the remaining objective with the goal because there is no goal reported. In addition, two objectives are broad in nature. Finally, one of the objectives does not specify desired end results. As a result, these objectives may not provide legislators or other external users with the information needed to know what the program is attempting to accomplish.

Performance Indicators. Of the 29 performance indicators reported for this office in the executive budget, nearly all are output indicators. None are outcome measures. According to *Manageware*, outcome indicators are the most important performance measure because they show whether or not expected results are being achieved.

In addition, we found that 93 percent of the performance indicators reported are consistent with the associated objectives. These indicators may provide more useful information to legislators for making funding decisions than those that are not consistent with the objectives. However, none of the indicators are associated with measurable objectives. Therefore, it is impossible for the indicators to show whether progress is being made toward achieving the stated objectives.

Although it is not measurable, the second objective for the Child Care Services Program is specific. The objective is “To provide payments for day care . . .” This objective is, however, lacking a target measure, such as the desired average payment for day care services or the desired total number of children for which payments are provided. Because there is no targeted amount, it is impossible to know what the desired level of performance is and when it is reached. Making these objectives measurable would increase the usefulness of the indicators.

Finally, we found that 72 percent of the performance indicators reported for OS are clear. However, all of the clear indicators are found in one program, the Child Care Services Program. Specifically, we found that 21 of the 25 indicators in this executive budget program (84 percent) are clear. These indicators are easy to understand and contain no jargon. None of the indicators for the Executive and Administrative Support Program are clear. One reason for this is because the objective for this executive budget program does not give enough information to know what is meant by the indicators. For example, one of the indicators is “appeals.” The objective does not mention appeals. Therefore, it is impossible to know what type of appeals to which the indicator is referring.

The analysis of the core criteria for OS is shown in the exhibit on the following page.

Exhibit 3-4
Department of Social Services
Comparison of OS Performance Data
to Established Criteria

Missions	<ul style="list-style-type: none"> • 3 of 3 identify overall purpose • 3 of 3 identify clients/customers • 3 of 3 are organizationally acceptable
Goals	<ul style="list-style-type: none"> • 2 of 3 are consistent with associated missions • 3 of 3 provide direction/reflect destination
Objectives	<ul style="list-style-type: none"> • 2 of 3 are consistent with associated goals* • 0 of 3 is measurable • 0 of 3 is timebound • 2 of 3 specify desired end results
Performance Indicators	<ul style="list-style-type: none"> • 0 of 29 measures progress toward objectives • 27 of 29 are consistent with associated objectives • 21 of 29 are clear

*The remaining objective has no goals with which to determine consistency.

Source: Prepared by legislative auditor's staff based on comparisons of 1996-97 executive budget performance data to criteria in Exhibit 3-1.

**OFS Performance
Data Need
Improvement**

**The Executive Budget Does Not Provide Sufficient
Performance Data for the Office of Family Support
(OFS)**

Two of the three OFS executive budget programs actually contain 12 statutorily created programs. This grouping of statutorily created programs may confuse users of the executive budget and hinder decision making. In addition, all missions and most goals reported for OFS provide some useful information to legislators for decision making. However, one goal does not provide a sense of direction on how to address the mission or reflect the destination toward which the program is striving. Also, one executive budget program has no associated goals reported.

These situations may hinder legislators when making funding decisions. Finally, most statutorily created programs within OFS have only one objective reported specifically for that program in the 1996-97 executive budget. One objective may not provide sufficient information to decision makers about these programs. Therefore, the objectives for OFS in the 1996-97 executive budget may not collectively provide legislators or other external users with sufficient information needed to know what the programs are attempting to accomplish. However, many of the objectives reported are measurable. Therefore, the performance indicators reported may allow a user to determine whether progress is being made toward achieving the stated objectives.

Grouping of Statutorily Created Programs. Two of the three executive budget programs for OFS are actually groupings of several statutorily created programs. As mentioned in Chapter 2, the OFS executive budget programs actually contain 12 statutorily created programs. (These statutorily created programs are listed in detail in Appendix C.) We found that the executive budget contains performance data for 11 of the 12 statutorily created programs. However, this grouping of statutorily created programs may confuse users of the executive budget and hinder decision making.

Missions. The executive budget contains a total of four missions for OFS. There is one office mission and one mission for each of the three executive budget programs. We found that all four mission statements identify the purpose, identify the clients, and are organizationally acceptable. Also, all are consistent with the higher level mission. Therefore, the missions contain some useful and pertinent information for decision makers. However, as mentioned in Chapter 2, the missions are too broad to encompass the legislative intent and legal authority of all related statutorily created programs.

Goals. The executive budget contains a total of five goals for OFS. We found that four of the five goals meet both core criteria. These four goals are in the Client Payments Program. All four are consistent with the associated missions. All four also provide a sense of direction on how to address the missions and reflect the destination toward which the programs are striving. Therefore, these goals provide some useful information to legislators for decision making.

The remaining goal is for the Executive Administration and General Support Program. This goal is consistent with the associated mission. However, it does not provide a sense of

direction on how to address the mission or reflect the destination toward which the program is striving. The goal is “. . . to provide efficient and effective administrative and support services to the programs and services provided by the Office of Family Support.” The mission of this program states that it “. . . provides direction, coordination and monitoring of all activities of the Office of Family Support. In addition, this program provides a variety of support services to all office functions.” The goal is less specific than the mission. Therefore, it does not provide a sense of direction on how to address the mission or reflect the destination toward which the program is striving. This situation may confuse legislators charged with making funding decisions.

We also noted that there is no goal reported for the Client Services Program in the executive budget. Therefore, none of the statutorily created programs within this executive budget program have specific goals. A lack of goals may mean that the legislature cannot determine in what direction the program is attempting to go. It may also hinder decision makers from understanding the general end purpose toward which the program’s effort is directed.

Objectives. The executive budget contains 13 objectives for OFS. We found that the majority of these objectives are measurable, are timebound, and contain desired end results. Also, seven of the objectives are associated with particular goals. Of these seven, six are consistent with those goals. We were unable to determine the consistency of the remaining six objectives with goals because there are no goals reported in this program. All six of these objectives are found in the Client Services Program.

More specifically, of the 13 objectives, we found that 9 are measurable, 11 are timebound, and 8 show desired end results. Measurable and timebound objectives that communicate desired end results better assist users with determining how well the programs are performing and how timely the programs’ accomplishments are being made.

While most objectives are measurable and timebound, most statutorily created programs within OFS have only one objective reported specifically for each of those programs. Nearly three-fourths of the statutorily created programs have only one objective each. One objective may not provide sufficient information for decision makers to know what these programs are attempting to accomplish.

Performance Indicators. Of the 57 performance indicators reported in the executive budget for OFS, approximately 61 percent measure output. Seven percent measure outcome. The remaining indicators are a mix of efficiency, input, and quality measures. According to *Manageware*, outcome indicators are the most important performance measure because they show whether or not expected results are being achieved. The executive budget contains a mix of indicators, but adding more outcome measures would improve the mix.

Also, we found that approximately 70 percent of the indicators are consistent with the objectives, and nearly 72 percent are clear. The indicators that are consistent and clear provide more useful information to legislators for making funding decisions than those that are not.

We found that 46 of the 57 indicators are associated with measurable objectives. Of these 46 indicators, over 60 percent actually measure progress toward those objectives. The remaining 11 indicators are not associated with measurable objectives. Therefore, they do not measure progress toward stated objectives. However, 7 of these 11 indicators have associated objectives that are specific. These objectives, however, lack target measures. Because there is no targeted amount, it is impossible to know what the desired level of performance is and when it is reached. Making these objectives measurable would increase the usefulness of the indicators.

The analysis of the core criteria for OFS is shown in the exhibit below.

Exhibit 3-5	
Department of Social Services	
Comparison of OFS Performance Data	
to Established Criteria	
Missions	<ul style="list-style-type: none"> • 4 of 4 identify overall purpose • 4 of 4 identify clients/customers • 4 of 4 are organizationally acceptable
Goals	<ul style="list-style-type: none"> • 5 of 5 are consistent with associated missions • 4 of 5 provide direction/reflect destination
Objectives	<ul style="list-style-type: none"> • 6 of 13 are consistent with associated goals* • 9 of 13 are measurable • 11 of 13 are timebound • 8 of 13 specify desired end results
Performance Indicators	<ul style="list-style-type: none"> • 28 of 57 measure progress toward objectives • 40 of 57 are consistent with associated objectives • 41 of 57 are clear

*Six objectives have no goals with which to determine consistency.

Source: Prepared by legislative auditor's staff based on comparisons of 1996-97 executive budget performance data to criteria in Exhibit 3-1.

Effects of Welfare Reform. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, commonly referred to as welfare reform, provides for comprehensive changes to several programs within OFS. These programs include Aid to Families with Dependent Children (AFDC), Food Stamps, Child Care Programs, Child Support Enforcement, and other related programs. For example, the act replaces the AFDC Program with the Temporary Assistance for Needy Families (TANF) Program. Under TANF, a recipient is limited to a lifetime maximum of 60 months of benefits. There was no lifetime maximum of benefits under AFDC. New requirements and program limitations such as

these will mean that DSS will need to modify current objectives and indicators and create some new ones. The assistant secretary of OFS agreed that some changes to the performance data will need to be made because of welfare reform.

**OCS
Performance
Data Need
Improvement**

**The Executive Budget Does Not Provide Sufficient
Performance Data for The Office of Community
Services (OCS)**

The three OCS executive budget programs actually contain 16 statutorily created programs. This grouping of statutorily created programs may confuse users of the executive budget and hinder decision making. Also, all missions and most goals reported for OCS in the 1996-97 executive budget provide some useful information to legislators for decision making. However, one goal does not reflect the destination toward which the entity is striving. In addition, one executive budget program has no associated goals. These two deficiencies may result in legislators having insufficient information about these programs on which to base funding decisions. Finally, none of the objectives listed within the executive budget for OCS are measurable or timebound. Nearly all of the statutorily created programs that do have objectives specifically for that program only have one objective. Because of these and other deficiencies, the objectives may not provide legislators or other external users with the information needed to know what the programs are attempting to accomplish. Also, since the objectives are not measurable, it is not possible for the indicators to show whether progress is being made toward achieving the stated objectives.

Grouping of Statutorily Created Programs. Two of the three executive budget programs for OCS are actually groupings of several statutorily created programs. As mentioned in Chapter 2, the OCS executive budget programs actually contain 16 statutorily created programs. (The statutorily created programs within OCS are listed in Appendix C.) We found that the executive budget reports performance data for 11 of these 16 programs. However, two of the statutorily created programs that have no performance data reported are currently unfunded. This grouping of statutorily created programs may confuse users of the executive budget and hinder programmatic decision making.

Missions. The executive budget contains a total of four missions for OCS. There is one office mission and one mission for each of the three executive budget programs. We found that all four missions identify the purpose, identify the clients, and are organizationally acceptable. Also, all missions are consistent with the higher level mission statement. Therefore, the missions contain some useful and pertinent information for decision makers. However, as mentioned in Chapter 2, the executive budget missions are too broad to encompass the legislative intent and legal authority of all related statutorily created programs.

Goals. The executive budget contains three goals for OCS. We found that all of the goals are consistent with the associated missions. Two of the three provide a sense of direction on how to address the mission and reflect the destination toward which the programs are striving. Therefore, these goals provide some useful information to legislators for decision making.

One of the goals for the Child Welfare Services Program is consistent with the associated mission and provides a sense of direction on how to address that mission. However, it does not reflect the destination toward which the program is striving. The goal is to “. . . develop and manage efficient and effective Child Welfare Programs. . .” This goal conveys what the program is supposed to do, but it does not convey why it should do so. That is, it does not convey the reason for developing and managing effective child welfare programs. Because of this, the goal may confuse legislators using this information to make funding decisions.

In addition, there is no goal reported in the executive budget for the Community Based Services Program. Therefore, none of the statutorily created programs within this executive budget program have a specific goal reported. This lack of goals may mean that the legislature cannot determine in what direction the program is attempting to go. It may also hinder decision makers from understanding the general end purpose toward which the program’s effort is directed.

Finally, we found that the two goals reported for the Child Welfare Services Program do not provide specific information for the related statutorily created programs. The first goal is to “. . . develop and manage efficient and effective Child Welfare Programs . . .” The second goal is to “. . . assure adequate staffing levels for the implementation of those programs throughout the state.” As can be seen in Appendix D, the Child Welfare Services

Program actually contains nine statutorily created programs. The goals reported do not provide specific information regarding any of the services provided by these nine statutorily created programs. Therefore, the goals may not provide adequate information to legislators for decision making.

Objectives. There are a total of 16 objectives for OCS reported in the executive budget. We found that none of these objectives are measurable or timebound. However, they do appear to include some important information. Thirteen objectives state desired end results. Ten are associated with stated goals, and they are consistent with those goals. We were unable to determine the consistency of the remaining six objectives with the goals because there are no goals reported. All of these six objectives are for the Community Based Services Program. As a result, the objectives may not provide legislators or other external users with the information needed to know what the program is attempting to accomplish.

We also found that the executive budget contains several objectives that could not be linked with any one statutorily created program. These objectives are broad and encompass several statutorily created programs. The executive budget reports objectives specifically for certain programs for only half of the 16 statutorily created programs. Furthermore, there is only one objective reported for most of these programs. One objective may not provide sufficient information to decision makers about these programs.

Performance Indicators. The majority of performance indicators reported in the executive budget for this office (49 of 81) are output measures. There are also some efficiency, quality, and input indicators reported. However, there are only two outcome measures reported for the entire office. According to *Manageware*, outcome indicators are the most important type of performance measure because they show whether or not expected results are being achieved.

We also found that 73 performance indicators are consistent with the stated objectives. In addition, 72 indicators are clear and easily understandable. These indicators provide more useful information to legislators when making funding decisions than those that are not consistent with the objectives and are not clear.

We found that none of the 81 performance indicators are associated with measurable objectives. However, nearly one-third

(32 percent) are associated with objectives that are specific. These objectives are, however, lacking target measures. Because there is no targeted amount, it is impossible to know what the desired level of performance is and when it is reached. Making these objectives measurable would increase the usefulness of the 26 performance indicators.

We also noted that nearly half of all the indicators reported for OCS (40 of 81) are associated with the first objective for the Child Welfare Services Program. These indicators provide information for most of the statutorily created programs within Child Welfare Services. In addition to this objective not being measurable or timebound, it is broad in nature. If this objective is made more specific, many of these indicators may no longer be consistent with it. Therefore, these indicators would need to be reevaluated.

Finally, we noted that there are no indicators listed for the Administration and Executive Support Program. Instead, the executive budget says, "The performance of this program is best measured by the progress of the Office of Community Services' other programs towards meeting their objectives." As mentioned earlier in this chapter, a GASB official does not recommend measuring administrative and support programs by the performance of other programs or the department as a whole. Administrative programs should have their own performance indicators. Without performance indicators, legislators may not be able to make informed funding decisions about the program.

The analysis of the core criteria for OCS is shown in the exhibit as follows.

Exhibit 3-6
Department of Social Services
Comparison of OCS Performance Data
to Established Criteria

Missions	<ul style="list-style-type: none"> • 4 of 4 identify overall purpose • 4 of 4 identify clients/customers • 4 of 4 are organizationally acceptable
Goals	<ul style="list-style-type: none"> • 3 of 3 are consistent with associated missions • 2 of 3 provide direction/reflect destination
Objectives	<ul style="list-style-type: none"> • 10 of 16 are consistent with associated goals* • 0 of 3 is measurable • 0 of 3 is timebound • 13 of 16 specify desired end results
Performance Indicators	<ul style="list-style-type: none"> • 0 of 81 measures progress toward objectives • 73 of 81 are consistent with associated objectives • 72 of 81 are clear

*The remaining six objectives have no goals with which to determine consistency.

Source: Prepared by legislative auditor's staff based on comparisons of 1996-97 executive budget performance data to criteria in Exhibit 3-1.

**LRS Performance
Data Need
Improvement**

**The Executive Budget Does Not Provide Complete
Performance Data for Louisiana Rehabilitation
Services (LRS)**

The three LRS executive budget programs actually contain eight statutorily created programs. This grouping of statutorily created programs may confuse users of the executive budget and hinder decision making. Also, all missions reported for LRS provide some useful information to legislators for decision making.

However, two goals do not provide a sense of direction on how to address the mission or reflect the destination toward which the program is striving. These situations may hinder legislators when making funding decisions. Finally, most statutorily created programs within LRS do not have objectives reported specifically for those programs. In addition, the statutorily created programs that have objectives specifically for those programs have only one objective each. Therefore, the objectives for LRS in the 1996-97 executive budget may not provide legislators or other external users with the information needed to know what the programs are attempting to accomplish. Thus, legislators may be unable to make informed funding decisions on these programs. However, many of the objectives are measurable. Therefore, the performance indicators do allow users to determine whether progress is being made toward achieving targeted levels of performance.

Grouping of Statutorily Created Programs. Two of the three executive budget programs for LRS are actually groupings of several statutorily created programs. As mentioned in Chapter 2, the LRS executive budget programs actually contain eight statutorily created programs. (See Appendix C for listing of these programs.) We found that the executive budget reports performance data for six of these eight programs. However, one of the statutorily created programs that does not have any performance data reported is currently unfunded. Nonetheless, this grouping of statutorily created programs may confuse users of the executive budget and hinder decision making.

Missions. The executive budget contains a total of four missions for LRS. There is one office mission reported and one mission for each of the three executive budget programs. We found that all four mission statements identify the purpose, identify the clients, and are organizationally acceptable. Also, all missions are consistent with the higher level mission. Therefore, the missions contain some useful and pertinent information for decision makers. However, as mentioned in Chapter 2, the executive budget missions are too broad to encompass the legislative intent and legal authority of all related statutorily created programs.

Goals. The executive budget contains a total of three goals for this office. There is one goal reported for each of the three executive budget programs. We found that one of these goals is consistent with the associated mission, provides a sense of direction on how to address the mission, and reflects the destination toward which the program is striving. Therefore, this goal provides some useful information to legislators for decision-making purposes.

We found that the remaining two goals are also consistent with the respective missions. However, they do not provide direction on how to address the missions or reflect the destinations toward which the programs are striving. As a result, they may not provide useful information for legislative decision making. In the first case, the goal for the Executive and Administrative Support Program is nearly identical to the mission. The goal is “to provide program planning, efficient and economical deployment of resources, and the monitoring of service delivery with LRS to assure the successful operation of all LRS programs throughout the state.” The mission says that this program “provides direction, planning, efficient and economical deployment of resources and the monitoring of service delivery within Louisiana Rehabilitation Services.” This goal does not contribute any additional information about the program.

In the second case, the goal for the Client Payments Program is less specific than the mission. The goal states that the program will provide an orderly sequence of services to eligible citizens of Louisiana. The mission states that the program will provide “. . . services resulting in opportunities for employment and independence to individuals with handicapping disabilities . . .” In this case, reversing the mission and goal may help correct these deficiencies.

Objectives. The 1996-97 executive budget contains five objectives for LRS. We found that all five are consistent with the respective goals. Four of the five objectives are timebound, and three are measurable. Three of the objectives also communicate desired end results. Objectives that are consistent with goals, are measurable and timebound, and that show desired end results better assist users in determining how well the programs are performing and how timely the programs’ accomplishments are being made.

Although there are actually five objectives reported, two of them are almost identical. The sole objective for the Client Services Program and the first objective for the Client Payments Program are virtually the same. Both objectives focus on trying to place the same number of clients (3,278) into suitable employment. Because these objectives are so similar, legislators may not understand the difference between these two programs. Therefore, confusion may result while making funding decisions.

The executive budget reports only one objective for the Executive and Administrative Support Program. We found that this objective is very similar to the goal, nearly identical to the

mission, and has no performance indicators associated with it. Therefore, it is difficult to determine specifically what this program is attempting to accomplish.

Finally, we found that the executive budget reports objectives specifically for only one-fourth of the eight statutorily created programs. The executive budget reports only one objective for each of these two statutorily created programs. One objective per program may not provide sufficient information to decision makers about the programs.

Performance Indicators. We found that over 60 percent (15 of 24) of the performance indicators reported in the executive budget for LRS are output indicators. Approximately 17 percent (4 of 24) of the indicators reported are outcomes. This is the highest percentage of outcome indicators of all the offices within DSS. These outcome indicators allow users of the executive budget to see whether or not expected results are being achieved. The remaining indicators are a mix of efficiency and input indicators. There are no quality indicators reported. The mix of indicators provides users of the executive budget with useful information about activity levels and expected results of the program. However, adding quality indicators would provide information on another facet of performance--excellence.

We also found that 21 of the 24 indicators are consistent with the objectives and 20 are clear. The indicators that are consistent and are clear provide more useful information than those that are not.

We found that 20 of the 24 indicators are associated with measurable objectives. Of these 20 indicators, slightly over half (11) actually measure progress toward the objectives. The remaining four indicators are not associated with measurable objectives. However, the objectives are specific but lack target measures. Because there are no targeted levels of performance, it is impossible to know what the desired level of performance is and when it is reached. Making these objectives measurable would increase the usefulness of the indicators.

Finally, there are no performance indicators listed for the Executive and Administrative Support Program. The executive budget only says, "The performance of this program is best measured by the progress of the Office of Rehabilitation Services' other programs towards meeting their objectives." As mentioned earlier in this chapter, a GASB official does not recommend

measuring administrative programs by the performance of other programs or the department as a whole. Without indicators, a legislator will be unable to make informed decisions about this program.

The analysis of the core criteria for LRS is shown in the exhibit below.

Exhibit 3-7	
Department of Social Services	
Comparison of LRS Performance Data	
to Established Criteria	
Missions	<ul style="list-style-type: none"> • 4 of 4 identify overall purpose • 4 of 4 identify clients/customers • 4 of 4 are organizationally acceptable
Goals	<ul style="list-style-type: none"> • 3 of 3 are consistent with associated missions • 1 of 3 provides direction/reflects destination
Objectives	<ul style="list-style-type: none"> • 5 of 5 are consistent with associated goals • 3 of 5 are measurable • 4 of 5 are timebound • 3 of 5 specify desired end results
Performance Indicators	<ul style="list-style-type: none"> • 11 of 24 measure progress toward objectives • 21 of 24 are consistent with associated objectives • 20 of 24 are clear

Source: Prepared by legislative auditor's staff based on comparisons of 1996-97 executive budget performance data to criteria in Exhibit 3-1.

Appendix A

List of References Used

Appendix A: List of References Used

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Appendix B

Boards, Commissions,
and Like Entities Under
the Authority of the
Department of Social Services

Appendix B: Boards, Commissions, and Like Entities Under the Authority of the Department of Social Services

Board, Commission, or Like Entity	Legal Authority	Purpose
Advisory Council on the Child Care and Development Block Grant	Executive Order MJF 96-59	<ul style="list-style-type: none"> • To make recommendations to the department for the expenditure of the block grant funds • To make recommendations to the department on various ways to upgrade child care in day care centers in Louisiana and help the department develop a long range plan for ensuring quality day care
Blind Vendors Trust Fund Advisory Board	R.S. 46:2654	<ul style="list-style-type: none"> • To monitor, evaluate, and review the development and quality of services and programs funded through the Blind Vendors Trust Fund
Child Sexual Abuse Evaluation, Physician's Training Committee	R.S. 46:2545	<ul style="list-style-type: none"> • To establish criteria and guidelines for the training of physicians in the examination of victims of alleged child sexual abuse and to certify institutions which continuously satisfy the physician training protocols
Children's Justice Act Task Force	P.L. 99-401 (Section 109, Child Abuse Prevention and Treatment Act, as amended); Victims of Crime Act of 1984; and 42 USCA 5106c	<ul style="list-style-type: none"> • Advisory
Governor's Committee on Employment of the Physically Handicapped	R.S. 23:2001-23:2008; and 36:478	<ul style="list-style-type: none"> • To promote job opportunities for the physically handicapped and to arouse community interest in the employment problems of the physically handicapped

Board, Commission, or Like Entity	Legal Authority	Purpose
Governor's Rehabilitation Advisory Council	Executive Order MJF 96-43	<ul style="list-style-type: none"> • To prepare a state plan for vocational rehabilitation services for individuals with disabilities • To monitor, review, and evaluate implementation of the plan, including reviewing consumer satisfaction of services rendered • To advise the Office of Louisiana Rehabilitation Services regarding the effectiveness of vocational rehabilitation services • To ensure that all regularly scheduled meetings of the council are open to the public • To submit annual reports to the governor and the federal government • To coordinate activities with the Statewide Independent Living Council and with other state councils or agencies which address the needs of specific disability populations and issues under federal law
Homeless Trust Fund Advisory Council	R.S. 46:594-595	<ul style="list-style-type: none"> • To adopt rules and regulations governing the procedures for (1) the requests for trust fund monies and (2) the selection of applicants to receive trust fund monies for projects to aid the homeless
Interpreter Certification Board	R.S. 46:2352 and 36:478	<ul style="list-style-type: none"> • To report to and advise the Louisiana Commission for the Deaf in the administration of the certification program for sign language interpreters, including any specialized interpreters
Louisiana Advisory Committee on Licensing of Child Care Facilities and Child Placing Agencies	R.S. 46:1406-1407 and 36:478	<ul style="list-style-type: none"> • To develop new minimum standards for licensure and shall advise and consult with the department on matters pertaining to the review and revision of rules, regulations, and standards for licensure of Class A facilities and decisions to revoke or refuse to grant or renew a Class A license
Louisiana Child Care Challenge Committee	LA R.S. 46:1443-1443.1	<ul style="list-style-type: none"> • To develop and make recommendations to the secretary of DSS for implementation of a program to encourage employers to participate in the provision of child care and to explore and present the advantages to businesses, companies, and corporations of providing child care options to their employees voluntarily, such as lower absenteeism, enhanced employee morale, and increased employee productivity

Board, Commission, or Like Entity	Legal Authority	Purpose
Louisiana Children's Trust Fund Board	R.S. 46:2403-2407 and 36:478	<ul style="list-style-type: none"> • To review, evaluate, adopt, coordinate, and revise the comprehensive state plan for child abuse prevention • To review, evaluate, and award grants from the fund for child abuse and neglect prevention programs • To prepare and submit an annual report to the legislature and governor • To monitor, evaluate, and review the development and quality of services and child abuse prevention programs funded through the trust fund
Louisiana Commission for the Deaf	R.S. 46:2351-2352 and 36:478	<ul style="list-style-type: none"> • To serve as advocate for the needs and rights of deaf people • To collect and disseminate information concerning deafness • To inform deaf citizens, parents, and families about programs and services for the deaf • To certify interpreters and maintain registry of certified interpreters • To provide interpreter services to the deaf • To provide all services of the commission to deaf people with visual impairments • To develop and implement a statewide program to ensure continuity of services to deaf people • To promote, coordinate, and facilitate accessibility of all public and private services to deaf people • To promote the training of interpreters and assist in the establishment of interpreter training programs • To establish, administer, and promote a statewide program to provide access to all public telecommunications services to persons who are deaf, deaf-blind, and others such as severely hearing impaired or severely speech impaired

Board, Commission, or Like Entity	Legal Authority	Purpose
Louisiana Commission on Human Relations, Rights, and Responsibilities	R.S. 36:478 and Executive Letter from October 11, 1965*	<ul style="list-style-type: none"> • Created in 1965 by Governor McKeithen to promote racial harmony • To aid and support adherence to the law at all levels of national, state and local government • To encourage the discussion of mutual problems in order that mutual understanding will be increased • To encourage local leaders to meet and work with their local officials in support of law enforcement • To promote an adequate system of communications so that the public may be made aware of what is required of it under the law • To assist any community seeking the benefit of the commission's knowledge • To encourage excellence in education so that for full economic development all citizens may be used at their highest capacities
Louisiana Committee on Private Child Care	R.S. 46:1410-1411 and 36:478	<ul style="list-style-type: none"> • To develop minimum standards for licensure of Class B facilities and consult with the department on matters pertaining to decisions to revoke or refuse to grant a Class B license
Louisiana Interagency Action Council for the Homeless	Executive Order MJF 96-2	<ul style="list-style-type: none"> • To provide for the effective use of the state's resources and programs by coordinating the efforts of interested persons, agencies and organizations, both public and private to alleviate the plight of homeless persons
Louisiana Refugee Resettlement Program Advisory Council	Title IV, Immigration and Nationality Act; CFR Part 400.5(h); Revised Council By-Laws (1991)	<ul style="list-style-type: none"> • Advisory

* We were unable to locate a copy of the October 11, 1965, executive letter. The purpose of this commission was obtained from newspaper articles from 1965.

Board, Commission, or Like Entity	Legal Authority	Purpose
Louisiana Welfare Reform Coordinating Committee	R.S. 46:458 and 36:478	<ul style="list-style-type: none"> To provide oversight of the Louisiana Welfare Reform Program to ensure cooperation at all levels of government; avoid duplication among agencies and programs; encourage involvement by the public, private, and nonprofit sectors in the state; ensure smooth implementation of and provide ongoing planning for the program
State Youth Planning Commission	Act 430 of 1975	<ul style="list-style-type: none"> To provide for active consultation and participation of local government in the development of a state plan for the prevention and treatment of juvenile delinquents
Telephone Access Program Board	R.S. 46:2352	<ul style="list-style-type: none"> To provide approval for the development, implementation, evaluation, and modification of a year-round, twenty-four hour dual party relay system, and the engagement in other related activities
Traumatic Head and Spinal Cord Injury Trust Fund Advisory Board	R.S. 46:2632-2635 and 36:478	<ul style="list-style-type: none"> To establish priorities and criteria for disbursement of the fund and act to obtain maximum benefits available To investigate the needs of the head-injured and spinal cord-injured, identify any gaps in services, and prepare and submit an annual report with recommendations to the legislature and the governor To monitor, evaluate, and review the development and quality of services and programs funded through the fund

Source: Prepared by legislative auditor's staff based on a review of Louisiana Revised Statutes and other information provided by DSS.

Appendix C

Statutorily Created Programs in the Department of Social Services

Appendix C: Statutorily Created Programs in the Department of Social Services

Office of the Secretary

- Bureau of Appeals
 - Bureau of Audit Services
 - Bureau of Communication Services
 - Bureau of General Counsel
 - Bureau of Child Care & Development
 - Bureau of Licensing
 - Bureau of Rate Setting
-

Office of Management and Finance

- Division of Civil Rights
 - Division of Planning and Budget
 - Division of Fiscal Services
 - Division of Information Services
 - Division of Human Resources
-

Office of Family Support

- Aid to Families with Dependent Children (AFDC)
 - AFDC-Unemployed Parent
 - AFDC Child Care Program
 - Food Stamp Program
 - Project Independence (JOBS)
 - Disability Determinations
 - Child Support Enforcement
 - Transitional Child Care Program
 - Individual & Family Grant Program (Disaster Relief)
 - Refugee Cash Assistance
 - U.S. Citizens Repatriated
 - Emergency Repatriation Program
-

Office of Community Services

- Child Protection Investigation
- Family Services
- Foster Care Services
- Adoption Services
- Family Preservation/Family Support Services
- Child Care Services/Protective
- *Intergenerational Child Care Program - Unfunded*
- Missing and Exploited Children Information Clearinghouse - Unfunded
- Adoption Petition Services
- Weatherization
- Home Energy Assistance
- Emergency Shelter Grants Program
- Refugee Resettlement Program
- Children's Trust Fund
- Families in Need of Services
- Bridge Program – Ended in FY 1995-96

Louisiana Rehabilitation Program

- Vocational Rehabilitation Program
 - Randolph-Sheppard Vending Facility Program
 - Louisiana Commission for the Deaf (includes Interpreter/Accessibility Services and Telephone Access Program)
 - Traumatic Head and Spinal Cord Injury Program
 - Independent Living
 - Sheltered Industries Program - Unfunded
 - Personal Care Attendant
 - Community and Family Support
-

Source: Prepared by legislative auditor's staff based on DSS budget request information, a review of Louisiana Revised Statutes, a 1996 DSS Overview Report, a 1996 DSS Sunset Report, and other information provided by DSS.

Appendix D

Statutorily Created Programs Within Each Executive Budget Program

Appendix D: Statutorily Created Programs Within Each Executive Budget Program

Office of the Secretary	
Executive Budget Programs	Statutorily Created Programs
Program A: Executive and Administrative Support	<ul style="list-style-type: none"> • Bureau of Appeals • Bureau of Audit Services • Bureau of Communication Services • Bureau of General Counsel • Division of Civil Rights* • Division of Planning and Budget* • Division of Fiscal Services* • Division of Information Services* • Division of Human Resources*
Program B: Child Care Services	<ul style="list-style-type: none"> • Bureau of Child Care & Development • Bureau of Licensing • Bureau of Rate Setting

* Statutorily located within the Office of Management and Finance

Office of Family Support

Executive Budget Programs	Statutorily Created Programs
Program A: Executive Administration and General Support	<ul style="list-style-type: none"> • There are no statutorily created programs associated with this executive budget program.
Program B: Client Services	<ul style="list-style-type: none"> • Aid to Families with Dependent Children (AFDC) • Aid to Families with Dependent Children - Unemployed Parents • AFDC Child Care Program • Food Stamps • Project Independence (JOBS) • Disability Determinations • Child Support Enforcement • Disaster Relief • Refugee Cash Assistance
Program C: Client Payments	<ul style="list-style-type: none"> • Aid to Families with Dependent Children (AFDC) • Aid to Families with Dependent Children - Unemployed Parents • AFDC Child Care Program • Transitional Child Care Program • Project Independence (JOBS) • Child Support Enforcement • Individual and Family Grant Program (Disaster Relief) • Refugee Cash Assistance • U.S. Citizens Repatriated • Emergency Repatriation Program

Office of Community Services

Executive Budget Programs	Statutorily Created Programs
Program A: Administration and Executive Support	<ul style="list-style-type: none"> • There are no statutorily created programs associated with this executive budget program.
Program B: Child Welfare Services	<ul style="list-style-type: none"> • Child Protection Investigation • Family Services • Foster Care Services • Adoption Services • Family Preservation/Family Support Services • Child Care Services/Protective • Intergenerational Child Care Program • Missing and Exploited Children Information Clearinghouse • Adoption Petition Services
Program C: Community Based Services	<ul style="list-style-type: none"> • Weatherization • Home Energy Assistance • Emergency Shelter Grants Program • Refugee Resettlement Program • Children's Trust Fund • Families in Need of Services • Bridge Program - Ended in FY 1996

Louisiana Rehabilitation Services

Executive Budget Programs	Statutorily Created Programs
Program A: Administration and Executive Support	<ul style="list-style-type: none"> • There are no statutorily created programs associated with this executive budget program.
Program B: Client Services	<ul style="list-style-type: none"> • Rehabilitation Program • Randolph-Sheppard Vending Facility Program • Traumatic Head and Spinal Cord Injury Program • Independent Living • Sheltered Industries Program
Program C: Client Payments	<ul style="list-style-type: none"> • Rehabilitation Program • Randolph-Sheppard Vending Facility Program • Traumatic Head and Spinal Cord Injury Program • Louisiana Commission for the Deaf • Personal Care Attendant • Community and Family Support • Independent Living

Source: Prepared by legislative auditor's staff based on DSS budget request information, a review of Louisiana Revised Statutes, a 1996 DSS Overview Report, a 1996 DSS Sunset Report, and other information provided by DSS.

Appendix E

Department of Social Services' Response



State of Louisiana
Department of Social Services
OFFICE OF THE SECRETARY
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P.O. BOX 3776 - PHONE - 504/342-0286
BATON ROUGE, LOUISIANA 70821

M. J. "MIKE" FOSTER, JR.
GOVERNOR

MADLYN B. BAGNERIS
SECRETARY

September 23, 1997

Dr. Daniel G. Kyle, PHD, CPA, CFE
Office of Legislative Auditor
1600 North Third Street
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Dr. Kyle:

This letter is in response to the performance audit of the department recently completed by your office. Below are comments which reference areas included in Chapter 1 and the recommendations proposed by your office.

In reference to Chapter 1:

Report Conclusions:

"The organization of the program information....." was determined by the Office of Policy and Budget (OPB) and legislative staff. The information contained in the executive budget was determined by the OPB.

The Department must adhere to the program structure as determined by the OPB and the legislative staff. Most of the information which the audit states as not included in the executive budget was in each agency's operational plan and therefore, included as part of the Department's budget request.

The presentation of budgetary and programmatic information to the legislature and the public is a complex process. The programs, however they may be defined, are not necessarily self-contained structures with compact funding streams. The collection of financial and performance data is highly dependent upon the capability of the information systems involved. Therefore, restructuring of programs for appropriation purposes must be practical.

The missions and goals included in the executive budget were necessarily broad in order to relate to the executive budget programs. Again, this was done in order to comply with the established budgeted program structure.

Daniel G. Kyle
September 23, 1997
Page 2

The department will cooperate fully with the OPB and legislative staffs to improve performance data for use in the budget process and with any review of programs, functions or activities that may appear to be overlapping, duplicative or outmoded.

Areas for Further Study:

As mentioned above, the department will strive to improve the performance data for inclusion in the budget requests.

As stated in Chapter 2, two committees appear to be duplicative. These committees are responsible for determining minimum standards for Class A and Class B Day Care Centers. These "classes" are statutorily created and the standards are very distinctive.

The availability and capability of management information systems as it relates to the collection of performance data is an area of great concern. As we begin to improve the needed performance data, it will be extremely important to identify the capacity to collect this data and to address the necessary needs in this area.

Executive Budget is Basis for General Appropriation Act

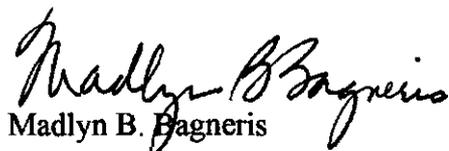
In regards to the statement that "OPB develops the executive budget based on voluminous material contained in various documents prepared by the Department as part of their budget requests." It should be noted that the budget requests were developed based on instructions from the OPB.

Recommendations:

Most, if not all, of the recommendations state that the department and the OPB should work closely together in order to develop more complete program information to be presented in the executive budget. The Department concurs with the recommendations.

We will continue to provide the best programmatic information possible for budgetary consideration.

Sincerely,


Madlyn B. Bagneris
Secretary

MBB:DHL:sjb