



Legislative Research Council

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MEMORANDUM

TO: Government Operations and Audit Committee
FROM: Annie Mehlhaff, Chief Budget Analyst, Legislative Research Council
DATE: July 10, 2014
SUBJECT: **Key Performance Indicator (KPI) Project**



After hearing many comments and suggestions made by GOAC committee members, LRC staff has been attempting to develop a tool for the Legislature to better use the performance measurement data collected by agencies and ensure the collected data is relevant. We started with the assumption that most agencies are collecting good data, but simply are not communicating it in a manner in which the Legislature can readily use in the decision making process.

Attached is a KPI Report **template** for the Department of Corrections (Attachment 1) that was developed with the goal of “transforming” the great amounts of raw data into a tool that will assist in the decision making process. Please note that all of the information contained in this template is for illustration purposes only and does not reflect actual data.

The critical first step in any performance measurement program is for the agency or program to answer **three key questions**:

1. What **goals** are you trying to accomplish?
2. What **activities** are you doing to accomplish the goals?
3. How do you **measure** whether you are accomplishing the goals?

The responses to these questions will provide a basis for the GOAC and the agency to understand and agree to the appropriate goals, activities, and measurements. The agency should then display the data in a way that summarizes and analyzes the key pieces of information for the Legislature and the citizens.

For purposes of this **illustration**, LRC used the mission statement of the Department of Corrections to develop three goals.

The KPI Report template includes goals, measurements, and targets **culled from other states**. The items may not be applicable to the South Dakota Department of Corrections, but was provided to the Governor's Office and the Department of Corrections as a guide in developing a format which will hopefully provide a template for all agencies to use when reporting their key performance indicators.

Comments on the attached KPI Report (Attachment 1 – Dept. of Corrections Mock Template): The goals, measurements and targets **must be developed** with input from the following:

- Agency or Project
- Governor's Office (if the agency/project involves the executive branch)
- Legislature (Government Operations and Audit Committee)

The **STOP Light colors** on the KPI Report can be interpreted as follows:

- Yellow – the historical trend line is positive, but the target has not been met – an agency response could be necessary;
- Red – the historical trend line is negative and the target has not been met – an agency response is certain;
- Green – the trend line is positive and the target has been met – an agency follow up may not be necessary.

Attachment 2 – Department of Education template - is an attempt to take the information from Dr. Schopp's presentation and **convert it to a similar format**. More work would certainly be necessary as targets were not set and the historical trend line would need to be more fully developed. Those deficiencies aside, I do think the **current information could be displayed** in a format that is more helpful to you and the citizens of this state.

Attachment 3 is another view of current performance measures in the Department of Education. Data was transferred from the **Governor's Budget Book** (yellow highlighted page in Attachment 3 – Tab 2 in Dr. Schopp's binder) and **reformatted** into the "Stop Light" format. Many pieces of the data are missing (targets), and the level of detail may not be adequate for your needs, but it does give an alternative for you to consider.

The purpose of this communication is to propose a **framework the committee can adopt** that will give agencies consistent direction on establishing and reporting meaningful performance measures. **Please provide comments** and suggestions as soon as possible and I will try to incorporate them in the future.

Thank you for your interest, dedication, and patience in this process. Over the years we have made many attempts to enhance performance indicators but have never been able to generate the level of interest necessary for a successful outcome. With your strong support and the continued support from the current administration, we can ensure that the data provided will be more useful to GOAC, and to the Joint Committee on Appropriations.

Department of Corrections

Below are Goals and Key Performance Indicators from other state Departments of Corrections. They are provided for illustration purposes only. Goals, KPIs, and targets need to be understood and agreed upon by the agency, the Governor's Office, and the Legislature. The indicators listed below may or may not be applicable to the South Dakota DOC.

What goals are you trying to accomplish?

What activities are you doing to accomplish the goals?

How do you measure whether you are accomplishing the goals?

Numbers are for illustration purposes and DO NOT reflect actual data.

Goal 1. To protect the citizens of South Dakota by providing safe and secure facilities for juvenile and adult offenders committed to our custody by the courts.

	Performance Measures				HISTORICAL DATA SECTION (for illustration purposes only)				
	Trend	Status	Actual	Target	FY10	FY11	FY12	FY13	FY14
	Activity A. Operate secure correctional facilities								
i. The rate of inmate walk-a-ways minimum secure facilities.			2	0	5	5	4	3	2
ii. The number of escapes per year from medium and maximum facilities.			4	0	2	3	3	3	4
iii. Rate of violent infractions in prison.			0	0	5	5	4	2	0
iv. The rate of Class 1 assaults on individual staff per month (rate per N employees).			5	0	2	4	4	5	5
Activity B. Employ, train, and retain qualified staff									
i. Results from employee survey			Pos	Pos	Neg	Neg	Pos	Pos	Pos
ii. Average time to fill staff vacancies (days)			60	50	160	120	100	80	60
iii. Percent of employee turnover			25	20	30	20	25	25	25
iv. Early resolution of staff grievances and disciplinary actions			0	0	5	5	4	2	0
v. Overtime use expenditures			\$1,000,000	\$500,000	\$1,000,000	\$1,000,000	\$2,000,000	\$2,000,000	\$1,000,000
v. Overtime use hours			200	100	200	200	300	300	200
vi. Number of vacant positions			8	9	12	15	13	11	8
vii. Number of workers comp time loss days per 100 employees per fiscal year.			60	10	20	40	40	50	60

Goal 2. To provide effective community supervision to offenders upon their release.

	Performance Measures				HISTORICAL DATA SECTION (for illustration purposes only)				
	Trend	Status	Actual	Target	FY10	FY11	FY12	FY13	FY14
	Activity A. Develop safe community supervision programs								
i. Rate of re-offense of offenders on active supervision			0%	0%	10%	8%	6%	6%	0%
ii. Percent of offenders on post-prison supervision convicted of a felony within three years of release from prison.			70%	0%	50%	40%	50%	60%	70%

Goal 3. To utilize evidence-based practices to maximize opportunities for rehabilitation.

	Performance Measures				HISTORICAL DATA SECTION (for illustration purposes only)				
	Trend	Status	Actual	Target	FY10	FY11	FY12	FY13	FY14
	Activity A. Develop successful rehabilitation programs								
i. Rate of recidivism			15%	0%	50%	40%	30%	20%	15%
ii. Percent of offenders admitted to prison with prior contact with DOC			40%	0%	20%	30%	30%	30%	40%
iii. Percent of program participation vs. assessed need			95%	0%	60%	70%	80%	90%	95%
iv. Maintain program fidelity by ensuring programs are consistently delivered in accordance with the design criteria			0	0	5	5	4	2	0
v. Priority given to higher risk offenders			5	5	5	5	5	5	5
vi. Completion of General Educational Development (GED)			65%	75%	80%	80%	70%	70%	65%

Department of Education

Below are Goals and Key Performance Indicators from the South Dakota Department of Education. They were provided to the committee in narrative format at the June 18th GOAC meeting. Goals, KPIs, and targets need to be developed by the agency and/or the Governor's Office, and agreed to by the Legislature. The performance measures listed below were developed by the Department of Education and may have been reworded for purposes of this example.

What goals are you trying to accomplish?

What activities are you doing to accomplish the goals?

How do you measure whether you are accomplishing the goals?

	Performance Measures				HISTORICAL DATA SECTION (to be completed)				
	Trend	Status	FY13 Actual	Target	FY11	FY12	FY13	FY14 estm.	FY15 estm.
Goal 1. All students enter 4th grade proficient or advanced in reading.									
Activity A. Early Literacy - increase the quality and availability of early literacy opportunities for children ages birth to 5.									
<i>(See DOE Binder Tab 3 - Pages 4 and 5)</i>									
Expand availability of early literacy experiences and resources									
i. Percentage of eligible children participating in B to Three, Part B 619, Head Start, Early Head Start, and Bright Start programs.		🟡	0%	?					
ii. Number of books, databases, websites, etc., available at state and local libraries		🟡	0	?					
iii. Number of early literacy enrollment opportunities		🟡	0	?					
Increase caregiver knowledge and skills regarding early literacy									
iv. Number of professional development opportunities available through B to Three, Part B 619, Head Start, State Library, Child Care Services, other state agencies and private agencies/organizations		🟡	0	?					
v. Higher Education early literacy professional endorsements		🟡	0	?					
vi. Number of teletherapy opportunities for early intervention programs		🟢	20	20	10	20	20	30	50

Goals, measures, and targets must be agreed upon by all parties.

Historical Data figures will generate a trend line.

The numbers above are for illustration purposes only and do not reflect actual data.

	Performance Measures			HISTORICAL DATA SECTION (to be completed)					
	Trend	Status	FY13 Actual	Target	FY11	FY12	FY13	FY14 estm.	FY15 estm.
Activity B. Implement Data-Driven Decision Making (System of Supports for Reading)									
<i>(See DOE Binder Tab 3 - Pages 8 and 9)</i>									
<i>Increase capacity of in-district trainers through professional learning opportunities</i>									
i.			0	?					
ii.			0	?					
<i>Support full implementation of an assessment system in grades K-3 for all schools through in-district mentor trainers</i>									
iii.			0	?					
iv.			0	?					
<i>Compile meaningful student data in the statewide Longitudinal Data system (SDSTARS)</i>									
v.			0	?					
<i>Coordinate services across internal divisions to systemically provide all schools support in the use of data and resources</i>									
vi.			0	?					
vii.			0	?					
<i>Ensure pre-service teachers are well-prepared for classroom instruction regarding the administration and use of student assessment data</i>									
viii.			0	125					
ix.			0	30%					
x.			0	10%					
xi.			0	10%					
xii.			0	10%					
xiii.			0	10%					

	Performance Measures				HISTORICAL DATA SECTION (to be completed)				
	<u>Trend</u>	<u>Status</u>	<u>FY13</u>	<u>Target</u>	FY11	FY12	FY13	FY14 estm.	FY15 estm.
			<u>Actual</u>						
Activity C. Year Round Reading - Provide information and tools for districts, schools, and parents about the importance of year round reading.									
<i>(See DOE Binder Tab 3 - Pages 11 and 12)</i>									
<i>Train Professionals</i>									
i. Number of trainings on summer ready slide, best practices, Lexiles and Find-a-Book, and the Collaborative Summer Library Program			0%	?					
ii. Number of Jump Start summer reading workshops			0%	?					
<i>Engage Parents</i>									
iii. Percentage of parents informed through presentations at conferences, etc.			0%	?					
iv. Develop parent website with tips and tricks.			0%	?					
<i>Create and foster partnerships</i>									
v. Percentage of schools, public libraries, PTA/PTO groups, early literacy groups, after-school groups informed and engaged			0%	?					
vi. Percentage of state agencies serving affected professionals and organizations that are engaged			0%	?					
<i>Deliver Read! SD Awareness Campaign</i>									
vii. Increase in the number of communities offering summer reading programs			0%	10%					
viii. Increase the number of public library programs for early literacy and K-3			0%	20%					
ix. Increase Read! SD media saturation			0%	20%					

	Performance Measures				HISTORICAL DATA SECTION (to be completed)				
	<u>Trend</u>	<u>Status</u>	<u>FY13 Actual</u>	<u>Target</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14 estm.</u>	<u>FY15 estm.</u>
Activity D. Increase Content Knowledge									
<i>(See DOE Binder Tab 3 - Pages 13, 14, and 15)</i>									
<i>Develop capacity in trainers through a train-the-trainer model on foundational skills in reading</i>									
i. Number of trainer mentors established			0%	20%					
<i>Support full implementation in grades K-3 schools/teachers over a two-year period</i>									
ii. Average student proficiency in skill development on benchmark assessment will show:									
a. Growth in Kindergarten from beginning of year to end of year			0%	30%					
b. Growth in First Grade from beginning of year to end of year			0%	10%					
c. Growth in Second Grade from beginning of year to end of year			0%	10%					
d. Growth in Third Grade from beginning of year to end of year			0%	10%					
<i>Ensure pre-service teachers are well-prepared for classroom instruction on foundational skills</i>									
v. Percent of College of Education classrooms in regular communication with DOE			0%	100%					
vi. Percent of districts describing coordinated technical assistance efforts as "good" or "excellent" (as per survey)			0%	100%					
viii. Percent of first year teachers describing their preparedness of foundational skills instruction as "good" or "excellent" (as per survey)			0%	100%					
ix. Percent of annual growth of preparedness of first year teachers (as per survey)			0%	10%					

Continue with Activities, Performance Measures, and Targets for Goals 2, 3, and 4.

Department of Education

Current Performance Indicators - Page 12-2 Governor's Budget Book Reformatted with "Stop Light" Indicators

	Performance Measures				HISTORICAL DATA SECTION (to be completed)				
	Trend	Status	FY13 Actual	Target	FY11	FY12	FY13	FY14 estm.	FY15 estm.
Goal 1. All students enter 4th grade proficient or advanced in reading.									
i. Dakota STEP, Grade 3 Proficiency Rates			78%	?		77%	78%	na	38%
ii. National Assessment of Educational Progress, Grade 4 Proficiency			32%	?		na	32%	na	36%
iii. Summer Reading Program Libraries			95	?		85	95	99	105
iv. Summer Reading Program Participants			40,000	?		39,796	40,000	42,000	44,000
Goal 2. All students enter 9th grade proficient or advanced in math.									
i. Dakota STEP, Grade 8 Proficiency Rates			74%	?		77%	74%	na	36%
ii. National Assessment of Educational Progress, Grade 8 Proficiency			38%	?		na	38%	na	44%
Goal 3. Increase the academic success of Native American Students.									
i. Dakota STEP, All grades, Native American Proficiency Rates in Reading			46%	?		48%	46%	na	na
ii. Dakota STEP, All grades, Native American Proficiency Rates in Math			41%	?		46%	41%	na	na
iii. Graduation Rate for Native American			49%	?		47%	49%	51%	53%
iv. Completer Rate for Native American			64%	?		na	64%	66%	68%
v. Gear up Participants - High School			4410	?		4100	4410	4450	4500
vi. Gear up Participants - Middle School			2290	?		2025	2290	2300	2350
Goal 4. Students graduate high school ready for postsecondary or the workforce.									
i. Statewide Graduation Rate			82%	?		83%	82%	84%	85%
ii. Statewide Completer Rate			90%	?		88%	90%	90%	91%
iii. ACT Composite			22	?		21.9	22	22	22
iv. Students Participating in Accuplacer			149	?		na	149	165	190
v. Jobs in America's Graduate Program			4	?		3	4	5	6

Revenues and Performance Indicators
FY 2016

Department **12 EDUCATION**
Center **1201 General Administration**

	Actual FY 2013	Actual FY 2014	Estimated FY 2015	Estimated FY 2016
PERFORMANCE INDICATORS				
GOAL: All Students enter 4th grade proficient or advanced in reading				
Dakota STEP, Grade 3 Proficiency Rates	78%		38%	
National Assessment of Educational Progress, Grade 4 Proficiency Rates	32%		36%	
Summer Reading Program Libraries/Participants	95/40,000		105/44,000	
GOAL: All Students enter 9th Grade Proficient or Advanced in Math				
Dakota STEP, Grade 8 Proficiency Rates	73.6%		36%	
National Assessment of Education Progress, Grade 8 Proficiency Rates	38.0%		44%	
GOAL: Eliminate the Native American Achievement Gap				
Dakota STEP, All Grades, Native American Proficiency Rates	46.0%		NA	
Dakota STEP, All Grades, Native American Proficiency Rates	41.0%		NA	
Graduation Rate for Native American Students	49.1%		53.0%	
Completer Rate for Native American Students	63.8%		68.0%	
Gear Up Participants - High School	4,410		4,500	
Gear Up Participants - Middle School	2,290		2,350	
GOAL: Students Graduate High School ready for Postsecondary and the Workforce				
Statewide Graduation Rate	82.3%		85.0%	
Statewide Completer Rate	89.7%		90.8%	
ACT				
Composite	22.0		22.0	
Students Participating in Accuplacer Program	149		190	
Jobs in America's Graduate Program (Participating Schools)	4		6	
National College and Career Readiness Certificate Program				
Students Participating	1,371		4,500	
Foundation Support: Students have access to high quality standards and instruction				
Common Core Training Participants (Teachers) unduplicated	5,322		1,000	
Math Counts Training Participants (Teachers)	205		250	

