

DIVISION OF ADMINISTRATION GUIDELINES

Louisiana
MANAGEWARE



QUARTERLY PERFORMANCE PROGRESS REPORTS

Act 1465 of 1997 (the Louisiana Government Performance and Accountability Act) requires that each agency (budget unit) receiving an appropriation in the general appropriation act or the ancillary appropriation act produce a series of performance progress reports. The purpose of these reports is to track the agency's actual progress toward achievement of annual performance standards.

The Office of Planning and Budget (OPB) in the Division of Administration, as the official record keeper and repository of performance data, maintains an electronic performance database, the Louisiana Performance Accountability System (LaPAS) to track performance standards and actual performance. To ensure the integrity of the performance database, the OPB also designates the medium for transmission and storage and establishes the rules for electronic transmission of progress reports and database access. State departments and agencies submit quarterly performance progress reports via LaPAS.

Act 1465 of 1997 provides official definitions and sets specific requirements for submission and content of the performance progress reports. These definitions and requirements are explained below.

Definitions and Explanations

Performance Indicator - A statement identifying an activity, input, output, outcome, achievement, ratio, efficiency, or quality to be measured relative to a particular goal or objective in order to assess an agency's performance. Performance indicators are the tools used to measure the performance of programs. Performance indicators consist of two parts: indicator name and indicator value. The indicator name describes what you are measuring. The indicator value is the numeric (or other) value or level achieved within a given measurement period.

Key Performance Indicator - A performance indicator that is included in the executive budget supporting document and the general appropriation act or the ancillary appropriation act. In general, key indicators are outcome indicators (indicators that directly relate to or measure the outcome described in an objective) or other measures that provide especially valuable information for budget decision making. Key indicators always have a performance standard (an expected level of performance at the appropriation level). Key indicators are reported each quarter in LaPAS.

Supporting Performance Indicator - A performance indicator that is included in the executive budget supporting document and the general appropriation bill/act or ancillary appropriation bill/act. Many of these indicators are input, output, efficiency or quality indicators that help make up a

balanced set of indicators and provide important background information to support a key indicator. Supporting indicators always have a performance standard (an expected level of performance at the appropriation level). Supporting indicators are reported in LaPAS at second quarter (or midyear) and a yearend actual is reported at fourth quarter (or yearend).

General Performance Information Indicator – A performance indicator that is included in the executive budget supporting document to provide valuable historic, trend, or comparative data. GPI indicators may be included in the general or ancillary appropriation act. General performance information indicators are reported on an actual basis only and do not have performance standards. However, GPI indicators are tracked for historical and trend purposes in LaPAS; a prior year actual value is reported at second quarter (or midyear) and a yearend actual is reported at fourth quarter (or yearend).

Source Documents - The sources for objectives and performance indicators to be reported in performance progress reports. Key objectives and key performance indicators for each program are shown in the general and ancillary appropriation acts. Supporting objectives and indicators at the funding level recommended by the governor are reported in the executive budget supporting document. Supporting objectives and performance indicators at initial appropriation level are provided to budget units in performance indicator spreadsheets that accompany appropriation letters prepared and distributed by the OPB.

Performance Standard - The expected level of performance associated with a particular performance indicator for a particular period. Performance standards are developed during the operating budget development process and established during the appropriation process. They represent the expected level of performance (performance indicator values) to be achieved during the fiscal year for which a budget estimate or an appropriation applies. Performance standards are commitments for service associated with the level of funding budgeted/appropriated. Performance indicators at both key and supporting levels become performance standards at the conclusion of the initial appropriation process. See "Guidelines for Development and Revision of Performance Standards" on the OPB website for more information. A performance standard is compared to the actual yearend performance for that indicator and variance (percentage difference) is calculated.

Interim Performance Targets - Intermediate service levels marked for accomplishment. Annual performance standards are divided by the agency into quarterly (for key indicators) or semi-annual (for supporting indicators) performance targets. Actual year-to-date performance for each report period is compared to the cumulative target for that same report period and variances are calculated.

Interim performance targets are set by agencies in their first quarter performance progress reports. Although annual performance standards can be modified only through limited processes requiring approval of the Division of Administration and Joint Legislative Committee on the Budget, interim performance targets can be managed by agencies throughout the fiscal year in a prospective manner. That is, during a quarterly reporting period, an agency may modify the targets for subsequent quarters. (For example, during the second quarter or midyear performance report, an agency may reset the targets for third and fourth quarters.) This enables agency managers to adjust targets to reflect unanticipated changes in internal capacity or external operating environment.

Because performance progress reports are cumulative, interim performance targets should be cumulative. In most cases, interim performance targets will grow to equal the annual performance standard. For example, a performance standard of serving 5,000 meals might progress from a first quarter target of 1,250 to a midyear target of 2,500, a third quarter target of 3,750, and a yearend target of 5,000. (This assumes, of course, that service levels are constant across quarters; that is, in this case 1,250 meals will be served each quarter. In fact, service levels are generally unequal across quarters.)

However, in some cases, interim targets may be the same as the annual standard. This would be true for a situation in which the same level of production or service delivery or input/output ratio is expected throughout the fiscal year. For example, an annual standard of maintaining a caseload level of 500 cases per worker could show targets of 500 for each quarter.

Sometimes an annual standard cannot be divided into quarterly targets; this is often the case for rankings or indicator values that are generated only on an annual basis. In these cases, it may be appropriate to show interim targets of zero (0) for first, second, and third quarters, followed by the yearend (annual target) in the fourth quarter. In other cases, such as rankings, it may be more appropriate to show the last known ranking for all quarters preceding the anticipated release date of the new ranking; then in the quarter of the release date for the new ranking and all subsequent quarters, show the targeted ranking.

Prior Year Actual - Actual data (real data based on actual activity) for the prior fiscal year.

Variance - The percentage difference between a performance standard or target and actual performance. Variance is calculated by dividing the actual performance by the standard or interim target and subtracting 1.00. Variance for most numeric indicators is calculated automatically by the Louisiana Performance Accountability System (LaPAS).

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CALCULATION OF VARIANCE

15 [actual] divided by 10 [standard or interim target] minus 1.00 = .50 or 50%

250 [actual] divided by 425 [standard or interim target] minus 1.00 = -.412 or -41.2%

30% [actual] divided by 27% [standard or interim target] minus 1.00 = .111 or 11.1%

\$34.40 [actual] divided by \$35.22 [standard or interim target] minus 1.00 = -.023 or -2.3%.

This definition of “variance” does not conform to that of the term as used by statisticians. Act 1465 uses the term “variance” but the actual calculation sought for performance comparison purposes is that of percentage difference. We regret any discomfort this may cause the statistical community.



NOTE: For variances in which zero “0” is part of the calculation formula—that is, when either the standard or target or actual is “0,” then LaPAS defaults to a variance of 5.5%. This necessitates an explanatory note but does not skew the variance by signaling either a

0% or 100% variance.

Variance from the performance standard (or an interim target) can be numerically positive or negative. However, a numerically positive variance may not represent a positive outcome; likewise a negative variance does not necessarily indicate a negative outcome. For this reason, agencies should indicate for each indicator whether a positive or negative variance from the standard is desired or represents “a good thing.” LaPAS defaults to the condition of a positive variance being a desired outcome. However, agencies may modify this setting to designate a desired negative variance. For some indicators, it is difficult to ascertain whether a positive or negative variance represents a desirable situation. Sometimes it is necessary to determine what type of variance would be undesirable or “bad” and then designate the opposite as the desired or “good” direction.

Submission of Performance Progress Reports

Title 39 requires that performance progress reports be submitted quarterly to the Joint Legislative Committee on the Budget, the legislative fiscal officer, the legislative auditor, and the commissioner of administration. Electronic transmission of performance information through the Louisiana Performance Accountability System (LaPAS) satisfies this requirement.

LaPAS permits secure entry and approval of actual performance information, one quarter at a time, via a web-based software application. To maintain the security and integrity of the performance database, access to the LaPAS data entry/update and approval functions is controlled through log-on identifications (IDs) and passwords. IDs and initial default passwords are issued by the OPB. Requests for creation or termination of LaPAS IDs must be submitted to the OPB on LaPAS forms, which are available on the OPB website.

Quarterly performance progress reports may be submitted on or before their due dates, which are set by statute. Ten (10) days after its deadline (or due date), a progress report is considered delinquent. An official, complete submission must contain all required information and have all information approved by the designated approval authority.

The schedule for submission of quarterly performance progress reports appears on the following page. (Act 1465 of 1997 set deadlines for the first day of the months in which reports were due. However, Act 1169 of 1999 revised deadlines for submission of performance progress reports from November 1, February 1, May 1, and September 1 to November 8, February 8, May 8, and September 8.

For each quarterly report, LaPAS displays a code in the submission period column for each performance indicator. This code identifies the period within that reporting schedule that information for an indicator was submitted. These submission periods and codes are:

SCHEDULE FOR QUARTERLY PERFORMANCE PROGRESS REPORTS

REPORT



DUE DATE

First Quarter Performance Progress Report

November 8

(Agencies project quarterly targets for key indicators and midyear and yearend targets for supporting indicators; designate positive/negative direction for desired variance on all indicators; and enter actual performance for key indicators for July 1 – September 30.)

Midyear (or Second Quarter) Performance Progress Report

February 8

(Agencies enter actual performance for July 1 - December 31, as well as prior year actual performance, for all performance indicators.)

Third Quarter Performance Progress Report

May 8

(Agencies enter actual performance for key indicators for July 1 - March 31.)

Yearend (or Fourth Quarter) Performance Progress Report

September 8

(Agencies enter actual performance for July 1 - June 30, as well as prior year actual performance, for all performance indicators.)

RP = Regular Period - the period from the opening of LaPAS for data entry, update, and approval through the end of the deadline (or due date) for the report (see deadlines above). A report submitted on or before the deadline (or due date) is considered on-time and coded "RP."

LP = Late Period - the ten-day period after the reporting deadline (or due date), during which a report is considered late but not officially delinquent. A report submitted after the deadline (or due date) but before the end of the ten-day late period is coded "LP."

= Blank - signifies that no report was submitted during the regular or late reporting periods. LaPAS displays a blank in the submission period column when an agency fails to submit agency-approved data for a performance indicator. If an agency fails to submit a report during the regular or late reporting periods, that agency's report is considered delinquent.

CP = Closed Period - the period during which LaPAS is closed for regular or late data entry, update, and approval. As explained below, LaPAS is closed after the ten-day late period and special permission must be obtained to enter, update, and approve data following that closure. A report filed during this closed period is coded "CP" and is considered delinquent.



NOTE: These submission period codes evolved during the FY 1998-1999 reporting year. Although they appear on the second, third, and fourth quarter reports, these codes do not appear on the first quarter report for that fiscal year. If there is a "Y" in the agency head approval cell for the first quarter, the "Y" indicates that a report was filed for that first quarter. In

fact, a “Y” in the agency head approval cell always indicates that a report was filed. The submission period code merely denotes the time frame in which the report was submitted.

Generally, LaPAS is open for data entry, update, and approval approximately thirty (30) days prior to the deadline (or due date) for each quarterly report. The OPB uses a message marquee on the LaPAS main page to provide information on LaPAS availability for quarterly reporting.

Database access remains open to an agency until that agency has officially submitted its performance data or the ten-day late period has passed, whichever occurs first. Official submission is signified by approval of performance data by a designated agency official using an approval authority ID. At that time, the agency's access to the LaPAS data entry and update function will be closed.

An agency approver may wait until each performance indicator has been updated before officially submitting its performance progress report or may submit the report in stages. For example, a budget unit comprised of several programs may officially submit the information for those programs individually or all at once. However, each submission must be made within the report period and, as each submission is made, data entry and update access to those portions of the database will be closed. Nonetheless, if an agency has made an official submission and, before the data entry and update period is concluded, an error or omission is discovered, the agency approver may “unapprove” the submission and regain access to the quarterly report.

No agency user can access data entry/update or approval functions after the ten-day late period has passed without special permission and action from the OPB. For example, if an agency fails to submit a quarterly performance progress report and is later directed by the Joint Legislative Committee on the Budget to file that report, then the OPB will open the system for a limited period of time for that agency to complete its report.

As data are entered and updated in LaPAS, those data are deposited into the performance database and displayed in the LaPAS view function.

For information on how to use LaPAS, including how to view, enter, update, approve or “unapproved” performance data in LaPAS, see the LaPAS main page on the OPB website. Look for links to help, user guides, and new items.

Entering, Updating, and Approving Performance Data in LaPAS

Identifier information on departments, agencies, programs, objectives, key and supporting performance indicators, and performance standards is populated by the LaPAS administrator in the OPB. Performance indicators are presented as they appear in the source documents (general or ancillary appropriation acts and performance tables supplied by the OPB as part of the annual appropriation package). If there is any disagreement regarding performance indicator name, level, or standard value in these sources, then the appropriation act takes precedence.

Each department/agency is responsible for entry and/or updating of the following:

- interim targets (quarterly targets for key performance indicators and midyear [or second quarter] and yearend [or fourth quarter] targets for supporting performance indicators) for performance standards;
- designation of positive or negative as the “desired” direction for any variances that might occur;
- actual performance values;
- comments or explanatory notes; and
- department or agency (budget unit) approval of data.



REPORTING POINTER: Look for white cells in the LaPAS screens for quarterly reporting. If you see a white database, then that cell is active and you should enter the appropriate number. White comment cells are open for explanatory notes.

A department that is composed of multiple budget units may centralize responsibility for data entry and update at its administrative headquarters or decentralize responsibility for data entry and updating by assigning that function to each budget unit. Likewise, a department composed of multiple budget units may centralize responsibility for data approval at the department level or may decentralize data approval by authorizing each budget unit head to approve and submit data.

Performance Standards in LaPAS

Do not attempt to revise performance standards in LaPAS. Performance standards may be revised through an official instrument (approved PAR or BA-7) but only the OPB can make the actual change in the performance database. LaPAS will maintain a record documenting each revision to a performance standard and automatically display a "Y" in the "performance standard revised" cell for any revised performance standard.

Performance progress reports are cumulative since they are tracking progress toward accomplishing a performance standard for the entire fiscal year. However, to generate meaningful measurement of quarterly progress, it is necessary to divide annual performance standards into estimated interim targets for achievement. In this way, actual year-to-date performance can be compared with estimated interim targets.

Quarterly Targets and Actuals

Performance progress reports are cumulative since they are tracking progress toward accomplishing a performance standard for the entire fiscal year. However, to generate meaningful measurement of quarterly progress, it is necessary to divide annual performance standards into estimated interim

targets for achievement. In this way, actual year-to-date performance can be compared with estimated interim targets.

Agencies must cast interim targets for each quarter and record them in LaPAS. All interim targets (quarterly targets for key indicators and midyear [or second quarter] and yearend [or fourth quarter] targets for supporting performance indicators) must be entered at the First Quarter Performance Progress Report, even though the report contains actual performance data only for key indicators.

However, during the reporting year, you may revise interim quarterly targets for those quarters subsequent to the one in which a report is being filed. LaPAS will not permit retroactive revision of targets. That is, you cannot revise targets for quarters in which a report is being filed or that have already been completed. For example, in Second Quarter, you may revise targets for Third Quarter and Fourth Quarter; in Third Quarter, you may revise targets for Fourth Quarter. This capability enables managers to manage quarterly targets in order to reflect changes in performance expectations. When you revise a quarterly target, provide an explanation of the reason that you need to revise your performance expectation.

Both performance targets and actual performance data are cumulative. They should represent the periods covered by the reports. That is:

First quarter reports should reflect performance targets and actuals for July 1 through September 30.

Midyear (or second quarter) reports should reflect cumulative targets and actuals for July 1 through December 31.

Third quarter reports should reflect cumulative targets and actuals for July 1 through March 31.

Yearend (or fourth quarter) reports should reflect cumulative targets and actuals for July 1 through June 30.

When casting interim quarterly targets and reporting quarterly actuals cumulatively, managers should apply logic and common sense. Annual performance standards should be divided into quarterly (for key indicators) or semi-annual (for supporting indicators) performance targets. However, the way in which annual performance expectations are reflected in quarterly targets should mirror the way in which the program's business cycle works and the way in which the program will attain the annual performance standard. LaPAS compares actual year-to-date performance for each report period to the cumulative target for that same report period and calculates a variance.

In many cases, interim performance targets will accumulate to the annual performance standard. For example, a performance standard of 5,000 meals served to seniors might be divided into a first quarter target of 1,250, a midyear target of 2,500, a third quarter target of 3,750, and a yearend target of 5,000. This assumes, of course, that service levels are constant across quarters; that is, in this case 1,250 meals will be served each quarter. In fact, service levels are generally unequal across quarters. Managers should observe and analyze their annual business cycles in order to ascertain the quarterly patterns or rhythms of their programs. (LaPAS provides a ready source of quarterly and

semi-annual data.) So, the quarterly targets for number of meals served to seniors might really be 1,100; 2,280; 3,900; and 5,000. To report actuals for this indicator, the program would simply measure the number of meals served and report those figures cumulatively as the fiscal year progresses.

Example:

Performance Indicator Name: Number of meals served to seniors

Performance Standard: 5,000

<u>Quarterly Targets</u>	<u>Quarterly Actuals</u>
1,100	1,122
2,280	2,661
3,900	3,746
5,000	5,077

In other cases, interim targets may be the same as the annual standard. For example, an annual standard reflecting an average turnaround time of 4 working days could show targets of 4 for each quarter. Or, an annual standard reflecting the processing of 90% of applications within 30 days of receipt could show 90% as the target for each quarter. This indicates intent to achieve the same level of service throughout the fiscal year, whether or not quarterly workload varies. In this case, the fourth quarter target is cumulative because there has been no change since the first quarter.

Example:

Performance Indicator Name: Percentage of applications processed within 30 days of receipt

Performance Standard: 90%

<u>Quarterly Targets</u>	<u>Quarterly Actuals</u>
90%	90%
90%	88.9%
90%	90%
90%	89.1%

In this case, 100 applications were received between July 1 and September 30. Ninety were processed within 30 days of receipt. So the Quarter 1 actual is 90%. Between July 1 and December 31, 180 applications were received (100 in the first quarter and 80 in the second). Of that total, 160 were processed within 30 days of receipt. So the Quarter 2 actual is 88.9%. Between July 1 and March 31, 300 applications were received (100 in the first quarter, 80 in the second, and 120 in the third quarter). Of that total, 270 were processed within 30 days of receipt. So the Quarter 3 actual is 90%. Between July 1 and June 30, a total of 460 applications were received. Of that total, 410 were processed within 30 days of receipt. So the Quarter 4 actual is 89.1%.

Sometimes a performance standard represents a figure that is captured only once a year, at a specific time. This is often the case for rankings or survey values that are generated annually and headcounts or enrollment figures that are captured at a specific point in time each year. LaPAS cannot accept a non-numeric target or actual, so "Not Applicable" or "Not Available" cannot be used. In these cases,

it may be appropriate to show interim targets of zero (0) for quarters that precede the one in which the annual figure is reported or generated. For example, for a measure that is made only during the fourth quarter, then targets and actuals for Quarters 1 through 3 could be zero. An annual measure that is generated in the third quarter could have first and second quarter targets of zero and third and fourth quarter targets reflecting the anticipated level of performance. For an annual measure that is generated in the second quarter, the first quarter report could show zero for both target and actual.

Example:

Performance Indicator Name: Instructional program enrollment, as of fall headcount

Performance Standard: 4,000

<u>Quarterly Targets</u>	<u>Quarterly Actuals</u>
0	0
4,000	4,021
4,000	4,021
4,000	4,021

In this case, the fall headcount is made in October. Since this count occurs after Quarter 1, the Quarter 1 target and actual are zero. Then Quarters 2 through 4 show the 4,000 target and 4,021 actual. Although this may not be an elegant solution to this performance situation, it does have logic behind it.

Another possible solution might be used for annual rates or rankings that are available at the same time every year. In this case, the rate or ranking for the previous year could be reported until the new rate or ranking is available.

Example:

Performance Indicator Name: Instructional program spring graduation rate

Performance Standard: 75%

<u>Quarterly Targets</u>	<u>Quarterly Actuals</u>
73%	73%
73%	73%
73%	73%
75%	76%

In this case, the spring graduation rate is based on a May graduation. The graduation rate for the previous year is 73%. That rate could be targeted and reported until the final quarter, which is when the new May graduation occurs. The new rate could be reported in Quarter 4. Again, this may not be an elegant presentation, but it is logical.

"Cost per" measures could be reported in several ways, depending upon whether costs are expected to be uniform or variable throughout the fiscal year.

If service levels and costs are uniform, or if costs can be managed or contained in such a way that some variables can be absorbed, then the "cost per" target might be set at the same figure for each

quarter. Targets are "cumulative" since no change in target is expected after the first quarter. However, actuals still should be reported on a year-to-date basis.

Example:

Performance Indicator Name: Cost per client served

Performance Standard: \$4,000

<u>Quarterly Targets</u>	<u>Quarterly Actuals</u>
\$4,000	\$4,000
\$4,000	\$3,778
\$4,000	\$3,765
\$4,000	\$3,818

In this case: The objective is "To hold the cost per client served to no more than \$4,000." From July 1 to September 30, 100 clients were served, at a cost of \$400,000, so the Quarter 1 actual is \$4,000. From July 1 to December 31, a total of 225 clients were served at a cost of \$850,000; so the Quarter 2 actual cost is \$3,778. From July 1 to March 31, a total of 340 clients were served at a cost of \$1,280,000, so the Quarter 3 actual cost is \$3,765. From July 1 to June 30, 440 clients were served at a total cost of \$1,680,000, so the Quarter 4 actual is \$3,818.

If costs are not uniform (perhaps certain large, one-time operating expenses hit at a particular time during the year) or costs include fixed as well as variable costs or include both base costs and incremental costs, then it may be more appropriate for the program manager to cast targets that anticipate those impacts on a quarterly basis.

Example:

Performance Indicator Name: Annual maintenance cost per machine

Performance Standard: \$105.00

<u>Quarterly Targets</u>	<u>Quarterly Actuals</u>
\$30.00	\$30.00
\$55.00	\$55.00
\$80.00	\$85.00
\$105.00	\$105.00

In this case, there are 100 machines to be maintained. Certain one-time expenses occur during the first quarter. However, in other quarters, the maintenance costs are uniform.

Example:

Performance Indicator Name: Annual cost to operate facility

Performance Standard: \$105,000

<u>Quarterly Targets</u>	<u>Quarterly Actuals</u>
\$30,000	\$30,000
\$55,000	\$54,000
\$80,000	\$81,000

\$105,000

\$105,000

In this case, the invoice for risk management was paid in the first quarter. A clean-your-own cubicle policy was implemented during second quarter to lower janitorial costs. In the third quarter, utility costs were higher because of a colder-than-usual winter and natural gas cost hikes. However, by yearend, savings from the new cubicle policy offset higher utility costs.

As illustrated, there may be alternative ways to cast targets and report actuals but still use a cumulative approach. However, each methodology has a logical explanation. If an organization is using an unusual method for casting targets, then it is appropriate for the quarterly note field to have an explanation of the logic behind the setting of targets and reporting of actuals. The examples shown above are fictional and simple. A statistically talented manager certainly can come up with more sophisticated ways to cumulatively target and measure. Nonetheless, the bottom line is that targets should reflect business cycle and process logic; actuals must present year-to-date actual figures for the quarter in which data are being reported.

Interim targets for each quarter should be set by an agency and recorded in the First Quarter Performance Progress Report. All interim targets (quarterly targets for key indicators and midyear [or second quarter] and yearend [or fourth quarter] targets for supporting performance indicators) must be entered at the first quarter performance progress report, even though the report contains actual performance data only for key indicators. However, interim targets may be managed or revised prospectively.

“Actual” performance data reported in a previous progress report cannot be altered in a subsequent progress report (except as noted in the following paragraph). However, since actual numbers are supposed to be cumulative, an agency may compensate for the inaccuracy of an actual reported in any previous quarter when reporting in a subsequent quarter. If the previously reported actual contains such an egregious error that the cumulative actuals in subsequent quarters don't make sense, then the agency should explain the situation in the notes column.

Revision or correction of “actual” data reported in an earlier performance progress report is allowed at yearend in the fourth quarter performance progress report. (Of course, a wholesale correction of actual performance data will be subject to the close scrutiny of reviewing entities. In addition, fourth quarter correction of actual data will not mitigate any negative reviews of earlier quarterly reports.)

LaPAS not only allows a comparison of actual with expected performance, but also builds an historical database of actual performance data. Therefore, it is important to record “prior year actual” values for performance indicators. Report prior year actual values at midyear (second quarter report) and yearend (fourth quarter report). Use the actual performance indicator values for the immediately preceding fiscal year. (For example, if you are submitting a performance progress report for FY 2006-2007, the prior fiscal year is FY 2005-2006.)



NOTE: For a recurring performance indicator (one that appeared in LaPAS reports for the prior year), LaPAS copies the yearend actual value reported for that indicator into this column for you. However, you must verify the accuracy of these values and revise if necessary. If a performance indicator is new or if your agency did not submit a yearend value for an

existing indicator in the previous fourth quarter progress report, then the prior year actual cell will be blank. In this case, you must enter a prior year actual in your midyear or second quarter report in order to generate a “complete” report record. Generally, the prior year actual values entered at midyear should require no re-entry or revision at yearend. If, however, a value was incorrectly calculated or entered at midyear, then the value should be revised in the yearend (fourth quarter) report.

Performance standards and indicator values must be numeric (numbers, dollars, and percentages). LaPAS cannot calculate a variance on nonnumeric values.



NOTE: Some FY 1998-1999 performance standards were nonnumeric. The use of nonnumeric performance standards was discontinued in FY 1999-2000, but LaPAS will continue to display and label nonnumeric standards and values for FY 1998-1999 in the view function.

Numeric performance standards and indicator values may have various numeric formats (plain numbers, dollars, percentages, etc.). In LaPAS, standards and values appear without format attributes (dollar signs, percentage signs, etc.). However, at the performance indicator level, there is a format cell that identifies the numeric format for the standard and values by displaying one of the following symbols:

- # = plain number
- \$ = dollar
- % = percentage

Incorrect or inconsistent data entries can result in grossly inappropriate variance rates. Therefore, interim targets and actuals must be reported in the same numeric expression as their performance standard. For example:

- Some performance standards are expressed in millions rather than in complete numbers. That is, the name of the performance standard includes a qualifier (in millions) and the performance standard value is rounded up to millions. In this case, a performance standard of five million would be shown in LaPAS as 5 not as 5,000,000. If a performance standard is expressed in millions (or billions, etc.), targets and actuals must be reported in the same format (that is, 5, not 5,000,000 or 1.2 not 1,200,000).
- Target and actual values should be carried to the same number of decimal points as their standard. If a performance standard is expressed with two decimal points (4.65), then its targets and actuals should be carried to two decimal points also.
- If a performance standard is a percent (%), target and actual values must be entered in a percent format (10.5) not a decimal format (.105).

Comments or explanatory notes may be included for all indicators and report periods. The generous comment area allows detailed explanations and commentaries on quarterly performance. Use of explanatory notes to explain external variables or other factors that should be taken into account

regarding performance indicators, standards, targets, or actual data is encouraged. However, comments must be included when there is a positive or negative variance greater than five percent (5%) between actual and targeted performance. This is a requirement of Act 1465 of 1997.

Performance data must be reviewed and approved by a designated agency official. Official submission of performance progress reports is dependent upon and signaled by this review and approval.

Louisiana Performance Accountability System (LaPAS)

The Louisiana Performance Accountability System (LaPAS) is the State of Louisiana's electronic performance database. LaPAS is both the means of filing regular performance reports and the depository of performance information. LaPAS is a joint venture of the Division of Administration's Office of Planning and Budget (OPB) and Office of Information Services (OIS).

LaPAS is accessed via the Internet through the [Office of Planning and Budget website](#). The LaPAS main page provides descriptive information on each LaPAS function (whether currently active or still under development). The LaPAS main page has a "First Time Users Click Here!" link that provides information on screen settings, browser version and upgrades, and browser settings that will enable data users to use LaPAS Java applications. A LaPAS manual, containing complete instructions for entering, updating, and approving data is provided on the LaPAS web page. Further, "Information" tabs, providing help and directions, on each update and approval screen are available to authorized agency users as they use the Java applications.

All Internet users may view and search LaPAS performance data. The view function includes print capacity. Instructions on how to use the view function are available on the LaPAS website.

Quarterly performance progress reports are filed by state agencies through the Agency Update and Agency Head Approval applications. Access to Agency Update and Agency Head Approval applications is controlled; authorized users must use IDs and passwords to access the applications. Authorizations apply only to the department/agency of the user. LaPAS user guides and information are available through links on the LaPAS main page.

Authorized state users also may access the LaPAS universe with Business Objects software. Business Objects is used already by most Louisiana state agencies to access financial data in the Advantage Financial System (AFS), the state's automated financial accounting system.

Access to LaPAS and Submission of Performance Progress Reports

Submission of performance progress reports is electronic, using the Louisiana Performance Accountability System (LaPAS). LaPAS permits entry of actual performance information, one quarter at a time, via the Internet.

To maintain the security and integrity of the performance database, access to the LaPAS data entry and update function is controlled through log-on identifications (IDs) issued by the Division of Administration and passwords established by LaPAS users. Secure IDs are issued also for the department or agency authority who approves the performance data submitted by the department or agency. Requests for LaPAS data entry and agency approval IDs must be submitted to the Office of Planning and Budget (OPB) on LaPAS forms available from the OPB. (These forms are available on the OPB website.)

Prior Year Actuals

LaPAS not only allows a comparison of actual with expected performance, but builds an historical database of actual performance data. Therefore, it is important to record "prior year actual" values for all performance indicators. Report prior year actual values at midyear (second quarter report) and yearend (fourth quarter report). Use the performance indicator fourth quarter actual values for the immediately preceding fiscal year. (For example, if you are submitting a performance progress report for FY 2004-2005, the prior fiscal year is FY 2003-2004.) For recurring performance indicators (ones that appeared in LaPAS reports for the prior year, OPB will copy the yearend actual values for the indicator into this cell for you. However, you must verify the accuracy of these values and make a revision if the figure reported in the prior year fourth quarter report was incorrect. Generally, the prior year actual values entered at midyear should require no re-entry or revision at yearend. If, however, a value was incorrectly calculated or entered at midyear, then the value should be revised in the yearend (fourth quarter) report. Because prior year actual figures may be revised by agencies, the OPB recommends that for purposes of a historical comparison, the figures shown in the prior year actual cells, rather than fourth quarter actuals, be used.

Other Requirements for Reporting

Incorrect or inconsistent data entries can result in grossly inappropriate variance rates. Therefore, interim targets and actuals must be reported in the same numeric expression as their performance standard. For example:

- Some performance standards are expressed in millions rather than in complete numbers. That is, the name of the performance standard includes a qualifier (in millions) and the performance standard value is rounded up to millions. In this case, a performance standard of five million would be shown in LaPAS as 5 not as 5,000,000. If a performance standard is expressed in millions (or billions, etc.), targets and actuals must be reported in the same format (that is, 5, not 5,000,000 or 1.2 not 1,200,000). When entering targets and actuals, LaPAS users must employ the same numeric expression as that used for the performance standard. For example, in an indicator measuring volume in millions, a performance standard of "75" would represent 75 million. If targets and/or actuals are entered in a different expression (for example, 75,325,270 rather than 75), the variance generated by the database will likely be so great that it exceeds the capacity of the database field. When this happens, the database cannot be updated and a complete report cannot be filed.

- Target and actual values should be carried to the same number of decimal points as their standard. If a performance standard is expressed with two decimal points (4.65), then its targets and actuals should be carried to two decimal points also.
- If a performance standard is a percent (%), target and actual values must be entered in a percent format (10.5) not a decimal format (.105).

Performance data must be reviewed and approved by a designated agency official. Official submission of performance progress reports is dependent upon and signaled by this review and approval.

Positive/Negative Variance

Generally, a positive variance between performance standard and actual (or quarterly target and actual) is considered to be “a good thing.” However, sometimes a negative variance communicates favorable performance. Each performance indicator has a positive/negative variance cell to indicate the desired direction of change. The database defaults to a positive (P) variance; however, LaPAS users can change this to negative (N).

Comments or Explanatory Notes

LaPAS provides active cells each quarter and at yearend for agency comments or explanatory notes. These cells have a capacity of 8,000 characters, so there is sufficient room for an extensive communication. (The original version of LaPAS had a 255-character restriction on note fields. However, this limitation was removed in 2001.)

Comments or explanatory notes *may* be included for all indicators and report periods. However, they *must* be included when there is a positive or negative variance of more than five percent (5%) between actual and targeted performance or yearend actual and annual performance standard. (This is a statutory requirement.) Explanatory notes should be used to explain external variables or other factors that should be taken into account regarding performance indicators, standards, targets, or actual data. Comments should also be entered to explain why targets are being revised.

For More Information on LaPAS

Questions regarding LaPAS should be directed to the OPB budget analyst assigned to work with your agency. Contact your analyst at:

Office of Planning and Budget
Division of Administration
Claiborne Building, Suite 7-150
P.O. Box 94095
Baton Rouge, LA 70804-9095
Telephone: 225-342-7005
FAX: 225-342-7220

The LaPAS website may be accessed directly at <http://www.state.la.us/opb/lapas/lapas.htm>. More detailed information on LaPAS functions, including user guides, is provided on the LaPAS website.

Performance Progress Report Instructions

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