



Montgomery County Government

MONTGOMERY COUNTY COUNCIL
OFFICE OF LEGISLATIVE OVERSIGHT

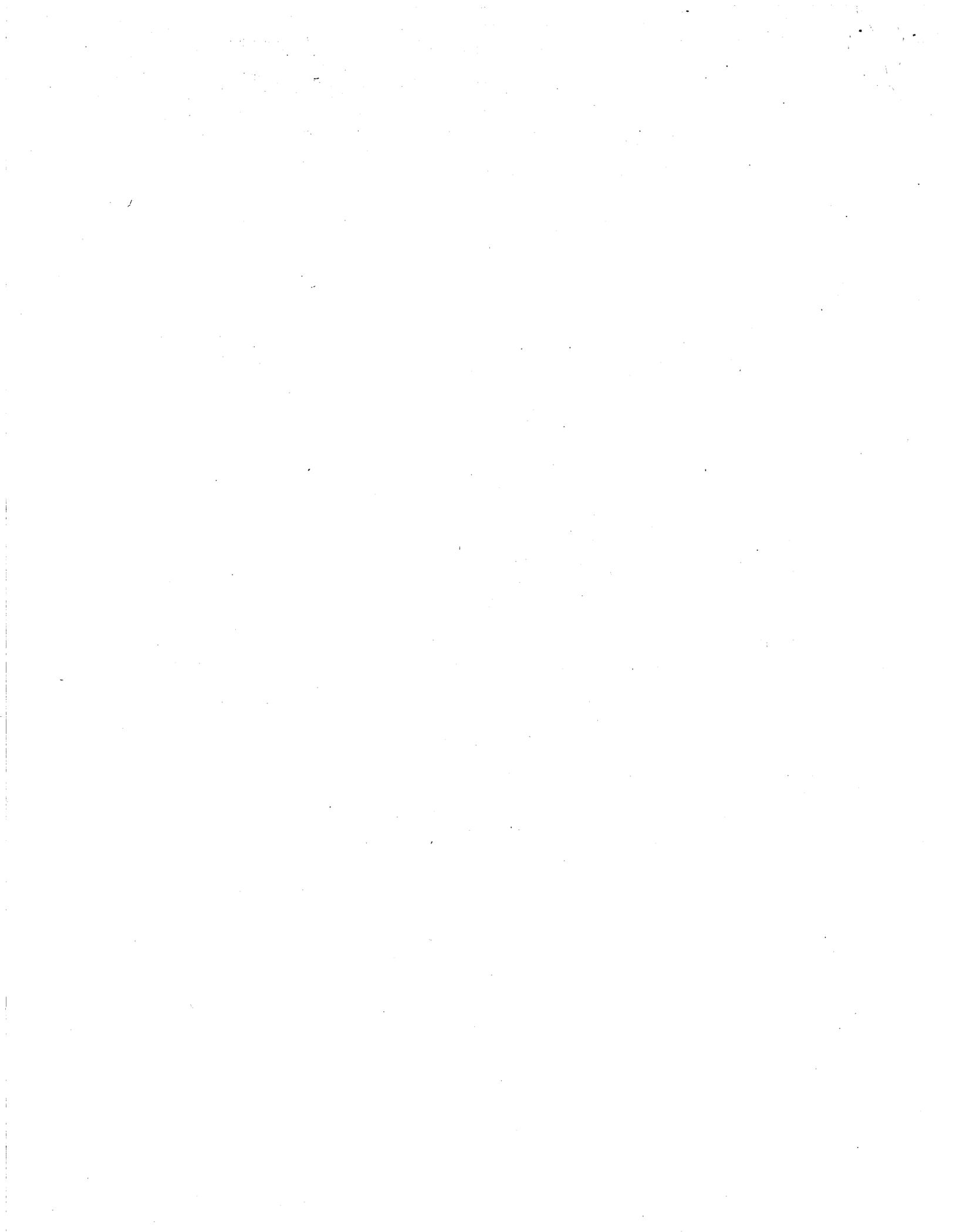
REPORT #83-1

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TITLE

An Evaluation of the Establishment of the Office of Management and Budget in the 1979 Reorganization of the Executive Branch.

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I. SUMMARY AND MAJOR CONCLUSIONS

1. In December 1979, the County Council enacted a series of emergency reorganization bills which created some new department and offices, abolished others and transferred a number of functions within the Executive branch. While the reorganization affected several governmental entities, the major impact on the organization and operations of County government was the creation of a new Office of Management and Budget (OMB).

2. When enacting the reorganization legislation, the County Council added Section 2-11A, Evaluation of Reorganization, to the Code. In that section, the Council directed the County Executive to evaluate all departments and agencies created in the reorganization except the Office of Management and Budget (OMB). In the case of OMB, the statute specified that the Office of Legislative Oversight would conduct an evaluation to assess the effects of its establishment.

3. The Office of Legislative Oversight, with the assistance of Touche Ross & Company, performed the evaluation using criteria specified in the enabling legislation, outlined by the County Executive in his reorganization proposal and enumerated by the County Council over the period OMB has been in existence. The evaluation of OMB is broad in scope, and not a "report card" on each goal, objective and expectation associated with the establishment of this new office. Consequently, only major management processes and significant budget initiatives are examined.

4. During the three years it has been in existence, OMB has undergone various internal reorganizations to compensate for reductions in authorized personnel, to meet increased responsibilities, and to correct recognized operating deficiencies.

5. The major conclusions of this evaluation are:

.The Office of Management and Budget has strengthened the budget and management processes in County government which in turn has enabled the County Executive and County Council to make more effective resource allocation decisions and to use allocated resources more efficiently.

.During its first three years, the emphasis of OMB has been on improving the budget format and implementation process and in developing management initiatives to enhance the accomplishment of the County Executive's goals of reducing the size and rate of growth of County government and improving the effectiveness and efficiency of County operations.

.In the two important management areas of long-range planning and program evaluation, OMB has not performed up to its own expectations or the expectations of the County Council; however, the FY 84 OMB operating budget reflects plans to provide a new emphasis and commitment

to the development of a long-range planning process and an evaluation program.

II. AUTHORITY, SCOPE AND METHODOLOGY

1. Authority. Council Resolution 9-2040, subject: FY 83 Work Program of the Office of Legislative Oversight, adopted November 16, 1982.

2. Scope. In accordance with Chapter 2, Section 2-11A, Montgomery County Code, 1972, as amended, the Office of Legislative Oversight (OLO) evaluate the impact of the Office of Management and Budget (OMB) established by Bill 55-79. The evaluation will include, but not limited to, the validity of the original goals and objectives stated as a rationale for creating OMB, the effectiveness and efficiency of OMB operations, and other activities and consequences not specifically anticipated at the time OMB was created.

3. Methodology. This evaluation was conducted between September 1982 and March 1983 using a variety of fact finding techniques to include a review of public documents (County laws, regulations, procedures, budgets, organization and staffing documents and reports); interviews with directors of line and staff departments, appointed and elected officials, other members of the Executive branch and key officials of other public County agencies; interviews with managers and employees of OMB; research and review of similar OMB-type organizations in other jurisdictions; and the use of an outside consultant to evaluate the impact of the reorganization on computer services operations.

III. INTRODUCTION

1. In September, 1979, the County Executive requested the County Council to approve a major reorganization of the Executive branch. In forwarding the reorganization proposal, the County Executive stated that the reorganization recommendations were "...intended to improve the performance and accountability of the County Government generally, to level off the growing cost of public services, and to focus on the critically important issues in the next several years."

2. The Council debated the proposals and, in late December 1979, enacted a series of emergency reorganization bills which created some new departments and offices, abolished others and transferred a number of functions within the Executive branch. While the reorganization affected several governmental entities, the major impact on the organization and operations of County government was clearly the creation of a new Office of Management and Budget (OMB).

3. When enacting the reorganization legislation, the County Council added Section 2-11A, Evaluation of Reorganization to the Code. In that section, the Council directed the County Executive to evaluate all departments and agencies created in the reorganization except the Office of Management and Budget (OMB). In the case of OMB, the statute specified that the Office of Legislative Oversight would conduct an evaluation to assess the impact of its establishment.

4. Section 2-11A specifies that the evaluation focus, as a minimum, on five specific criteria. In conducting this evaluation, the Office of Legislative Oversight (OLO) considered these plus other tests and criteria. Section V of this report discusses the evaluation criteria in detail.

5. The evaluation of the management and budget elements of OMB was conducted by OLO staff. Because of the unique and highly technical nature of computer services operations, the evaluation of OMB computer related services was performed by Touche Ross & Company. The findings of that evaluation are included in this report as ANNEX A.

6. The Office of Legislative Oversight received complete cooperation and professional assistance from the Executive branch and other County agencies. The managers and staff of OMB were especially generous with their time and candid in their observations. Their contribution was highly significant and essential to the accomplishment of the evaluation.

IV. ORGANIZATION, FUNCTIONS AND OPERATIONS OF OMB

1. Components Comprising OMB. The Office of Management and Budget was created as a principal office in the Executive branch by the integration of four existing components:

.The Office of Budget and Research

.The Office of Planning and Capital Programming (part of the former Department of Community and Economic Development)

.The Department of Management Information Services

.The functions of the Management and Public Policy Section (part of Executive Management).

2. Except for the Management and Public Policy Section (which had virtually ceased to operate because of personnel vacancies) the components were integrated into OMB with all assigned personnel and responsibilities.

3. The law creating OMB specified that it would be directed by an official appointed by the County Executive and approved by the County Council. OMB operated under an acting director from December 1979 until July 1980, when the first and current director, Dr. Jacqueline Rogers, was appointed by the County Executive and confirmed by the Council.

4. Organization of OMB. In the first fiscal year under its permanent director (FY 81), OMB was organized internally into a director's office and three divisions which paralleled the original three departments/offices which were integrated to form OMB: Budget and Research, Planning and Capital Programming and Management Systems. In FY 82, OMB internally reorganized and added a fourth division, Computer Center, which was formally part of Management Systems. OMB again internally reorganized in FY 83 into its current configuration of a

director's office and three divisions: Budgets, Management Systems and Computer Center. (See EXHIBIT A).

a) Office of the Director. This office is responsible for program development, direction, supervision and the normal centralized functions of general and personnel administration, departmental budget, etc. Within the Director's office are two sub-units. One, the Administration and Production Unit is responsible for coordinating all OMB produced documents, including the annual Recommended Operating Budget, the Capital Improvements Program and the Personnel Complement. The other unit, Strategic Planning is responsible for the OMB work program, coordinating the use of work programming and performance measurement, policy analyses, development of productivity programs and OMB's contribution to the Personnel Management Work Program.

b) Budgets Division. Prior to the creation of OMB, responsibility for preparing, processing and administering the operating and capital budgets was divided between two autonomous agencies. One of the major purposes of establishing an OMB was to bring activities associated with the production and administration of both of these important budgets under one agency. In the initial two years of OMB operations, the two budgets were divided between separate internal OMB divisions; however, in FY 83 all activities associated with the two budgets were combined into the one Budgets Division. Internally, the division consists of four budget teams: Public Safety and Regulatory; Human Services; Culture, Education and Recreation; and Planning and Development. The overall responsibility of the Budgets Division is to review and analyze all County budgets, monitor departmental expenditures, and process requests for the transfer of funds and supplemental appropriations.

c) Management Systems Division. The three sections of this division: Systems Development, User Information Services and Analyses and Evaluation, are responsible for a wide range of activities generally relating to computer operations and automated services. The Systems Development Section is responsible for developing new computer applications and major modifications to existing systems. User Information Services has responsibility for systems maintenance and minor modifications to existing systems, quality control of new systems documentation, and developing and enhancing procedures to increase direct user access to data processing systems. The third section, Analyses and Evaluation has little computer systems related functions. The major responsibilities of this section include managing the Cable TV program, conducting management analyses and program evaluations, maintaining and updating the County's administrative procedures and Administrative Manual and managing the grants process and coordinating the A-95 review process.

d) Computer Center. The Computer Center is responsible for all data operations associated with the County's computer system to include software, keypunch and other data preparation functions, data entry and control and operating the County's central processing facility.

5. Staffing. The approved FY 83 Personnel Complement for OMB authorized 116 full-time and 9 part-time positions for a total, after applying lapse, of 117 work years. This complement reflects a consistent

decline in positions and work years in each of the three fiscal years since OMB was established. In FY 80, the combined personnel complements of the agencies which were integrated to form OMB totaled 137 full-time positions and 130 work years (after lapse was applied).

6. Functions. The functions of OMB as specified in Section 2-64K of the County Code are as follows:

- a) Preparation and administration of the annual operating budget, six-year Public Services Program and related matters;
- b) Preparation and administration of the annual capital budget, six-year Capital Improvements Program and related matters;
- c) Planning for County facilities and review of area and functional master plans;
- d) Program evaluation;
- e) Provision of management information services, including electronic data processing and related work;
- f) Coordination of productivity improvement activities, including management, organization, and systems analyses and projects; and
- g) Other management functions as assigned by the Chief Administrative Officer.

V. EVALUATION OF OMB

1. Overview. The Office of Legislative Oversight, with the assistance of Touche Ross & Company, performed the evaluation using criteria specified in the enabling legislation, outlined by the County Executive in his reorganization proposal and enumerated by the County Council over the period OMB has been in existence. The evaluation of OMB is broad in scope, and not a "report card" on each goal, objective and expectation associated with the establishment of this new office. Consequently, only major management processes and significant budget initiatives are examined.

2. The basic criterion used in this evaluation is whether the Office of Management and Budget has provided the County Executive and Council an improved organizational structure and decision process for making more effective resource allocation decisions and managing allocated resources more efficiently. Or, as stated by the Council President in April 1980, three months after OMB was established, "The new Office of Management and Budget was created to strengthen the County Government's ability to reduce the cost and improve the performance of programs."

3. The overall conclusion of this evaluation is that the Office of Management and Budget has strengthened the budget and management processes in County government which in turn has enabled the County Executive and Council to make more effective resource allocation decisions and to use allocated resources more efficiently.

4. During the three years it has been in existence, OMB has internally reorganized each year in order to compensate for personnel reductions, to meet increased and changing responsibilities, and to correct recognized operating deficiencies. As will be brought out later, some of the shortcomings identified in this evaluation are addressed by proposed internal organizational changes in the recommended FY 84 OMB operating budget.

5. Executive's Original Reorganization Proposal and Council Action. The County Executive's original reorganization proposal of September 1979 acknowledged that certain major problem areas could only be addressed through reorganization. The specific problems identified in the proposal which related to budget and management matters were:

.Departmental long-range program planning was either not done or inconsistent, yielding a weak basis for understanding objectives and resource implications;

.The budget and CIP processes took very large portions of Executive Branch and Council time each year;

.Attention to productivity improvement was inconsistent among departments and had not been aggressively pursued as a management policy in the past;

.There was virtually no systematic program evaluation;

.Management reporting and information systems had been inadequately developed, yielding too little useful data for the costs involved;

.Top management coordination of various administrative systems had been inadequate to ensure compliance with policies, equity among departments, and efficiency in such areas as contracts, space allocation, fleet maintenance, and records retention; and

.The participation of the Executive Branch in community planning needed expansion.

6. The Executive's reorganization proposal stated two major missions for the Office of Budget and Management:

.Assist the County Executive, Chief Administrative Officer, Department Heads, and the County Council to make the most effective resource allocation decisions; and

.Lead County-wide efforts to achieve the most efficient use of allocated resources.

7. In enacting legislation to create OMB (Section 2-11A, Montgomery County Code, 1972, as amended) the Council directed that the Office of Legislative Oversight would evaluate the impact of establishing an Office of Management and Budget using, as a minimum, the following criteria:

.The validity of the original goals, objectives and performance criteria stated as the rationale for creation of OMB to the extent that they reflect the intent and purposes envisioned by the County Council;

.The effectiveness with which these goals, objectives and performance criteria have been accomplished;

.The efficiency with which OMB has operated;

.An assessment of other activities and consequences not specifically anticipated at the time OMB was created; and

.Recommended changes in the goals, objectives, performance criteria, programs and operating procedures of OMB which would, in the opinion of the evaluators, improve the ability of OMB to meet its intended purpose in an effective and efficient manner.

8. In the three fiscal years since OMB was established, the County Council has identified specific management processes for OMB action. These processes were initially articulated in an exchange of correspondence between the Council President and County Executive in late 1980, in which there was agreement that the County must strengthen its ability to maintain services, improve performance, increase productivity and reduce costs. There was further agreement that OMB, through the process of ongoing planning, budgeting and evaluation, would be the lead agency to accomplish these tasks.

9. Each year during the annual review of the Executive's recommended operating budget for OMB, the Council has re-emphasized the need for ongoing planning, budgeting and evaluation. When deliberating the FY 83 OMB operating budget in May 1982, the Council expanded the areas of OMB priority attention of planning, budgeting and evaluation to include program implementation

10. The remainder of this section of the report is an evaluation, within the framework of the criteria in the enabling legislation, of how effectively and efficiently the Office of Management and Budget has accomplished the tasks of planning, budgeting, evaluation and program implementation.

Specific Statutory Evaluation Criteria

11. Validity of the original goals, objectives and performance criteria. As stated earlier, the original reorganization proposal identified two broad missions for OMB: assist decision makers in making more effective resource allocation decisions and lead efforts to achieve the most efficient use of allocated resources. The original reorganization proposal did not identify any specific goals, objectives or performance criteria; however, in the three fiscal years OMB has been in existence (FY 81-FY 83) OMB has developed and expanded a coherent set of goals and strategies which complement its statutory functions. At EXHIBIT B is an extract of the FY 83 OMB operating budget listing its goals and strategies.

12. A review of these goals and strategies confirms that OMB continues to adhere to the original two missions relating to the management of resources. The original missions and the evolving goals and strategies of OMB are valid. First, OMB's attempts to manage resources have generally been accomplished through the principal means of increased centralized allocation and control. Secondly, in the three years OMB has been operating, there is no significant evidence that a shift in OMB's basic missions, goals or strategies is required.

13. Effectiveness with which OMB goals, objectives and performance criteria have been accomplished. The Council has identified four areas which it believes OMB should give priority attention: planning, budget format and process, program implementation, and program evaluation. This evaluation of the effectiveness of OMB's performance was conducted through a detailed examination of OMB's actions in each of these four areas.

Planning

14. The County Executive's original reorganization proposal identified the absence of long-range planning. When it was established, the reorganization legislation assigned three functions to OMB relating to planning: preparation of the six year Public Services Program (PSP), preparation of the six year Capital Improvements Program (CIP), planning for County facilities and review of area and functional master plans. In the years since OMB was created, the Council has on numerous occasions indicated that it expects OMB to be the lead agency in a broad planning process usually referred to as "long range" or "strategic" planning.

15. In November 1980, the Council suggested that the Charter-mandated Public Services Program (PSP) would be the appropriate vehicle for accomplishing the long-range planning process and identified the bases for this long-range planning as:

- .the identification of needs, problems and opportunities;
- .the projection of trends and future developments;
- .the identification and analysis of alternatives for meeting needs, solving problems and taking advantage of opportunities; and
- .the establishment of priorities.

16. The Office of Management and Budget has agreed with the Council that the PSP is an appropriate vehicle to accomplish this broad planning process, and numerous directives have gone out to department directors to place greater emphasis on their PSP submissions (most recently in the County Executive's guidance letter on the FY 84 budget). However, OMB is not performing long-range (or strategic) planning suggested by the Council in November 1980.

17. There are several reasons why OMB does not perform long-range planning. First, there is confusion as to exactly what is long range or strategic planning. Some conceive it as similar to the planning in land use issues, performed by the Maryland-National Capital Park and Planning

Commission, only in the broader concept of all County issues. Others conceive it in the narrower concept of economic or fiscal issues. Second, there appears to be a consensus that it is impossible to plan much beyond two or three years because of the many variables beyond the control of County planners, such as the state of the national economy and employment, the changing nature of Federal assistance, and periodic changes in the political leadership. Finally, OMB has not dedicated sufficient resources to perform the type planning envisioned by the Council. The Strategic Planning Unit established as part of the OMB director's office in FY 83 has concentrated on program development, policy analyses and coordination of broad management policies and programs and not on strategic or long-range planning; and the PSP continues to be just a six-year projection of costs and work years. The proposed FY 84 OMB budget enlarges the Strategic Planning Unit and assigns it responsibility for activities in support of an improved five-year strategic planning process.

18. There are additional actions which must be accomplished before a long-range planning process can be developed. First, the Council and the Executive must provide clearer policy guidance on the long-range goals and directions of the County. The Council should update and elaborate on its guidance of November 1980 relating to what it expects from a long-range planning process. The Council should also clearly define the role of the Montgomery County Planning Commission and its relationship to OMB in a process of long-range/strategic planning. Finally, the Council should encourage the Executive to dedicate sufficient resources to the development of a planning process of the degree envisioned by the Council.

19. OMB is likewise not adequately performing its assigned function of planning for County facilities and reviewing area and functional master plans. Again the reason appears to be a lack of resources within OMB dedicated to this function coupled with an Executive branch decision to accomplish this particular planning and review responsibility through an ad hoc group. Within Executive Management there is a group called the Ad Hoc Planning Task Force with representatives from several Executive departments, including OMB, which reviews area and functional master plans and coordinates the Executive's position. This important function should be the responsibility of a permanently constituted organization.

20. In summary, a fundamental decision has to be made as to whether the Public Services Program is an appropriate vehicle for accomplishing long-range/strategic planning. If it is, then the PSP must be radically altered from its current format which is simply a projection of future years in budget terms (dollars and work years). Long-range/strategic planning, as we believe the Council desires, is a much broader look into the future, in order to understand trends, articulate expectations, and make appropriate and timely current decisions which will have the most favorable impact on the future of the County.

Budgeting

21. The primary effort of OMB in its first three years has been in matters relating to the budgeting process. It has also been the area where OMB has been the most successful.

22. One of the fundamental reasons for creating an Office of Management and Budget was to bring together under a single agency all functions associated with the preparation and administration of the annual operating and capital budgets and the Public Services and Capital Improvement Programs. Although initially combined organizationally under the newly established OMB, the staffs of the former Office of Budget and Research and the Division of Planning and Capital Programming retained their separate identities. Beginning in FY 83 the two staffs were fully integrated into a single budget division.

23. The creation of OMB provided the Council another opportunity to suggest specific changes to the operating budget format and process. These suggested changes were communicated to the County Executive in November 1980. Over the next two fiscal years (FY 81-82), the suggested changes have been reflected in the operating budget documents. The major changes relate to the incorporation of the following elements:

- .definition of goals and objectives (strategies);
- .description of current programs and services;
- .identification and analysis of major budget issues;
- .justification of budget requests;
- .description of productivity improvements; and
- .incorporation of performance measures.

24. Including the above elements has added to the work of preparing the annual operating budget and increased the size of the budget document. However, the added effort to prepare the budget has been somewhat offset by the additional use of standardized procedures and automation.

25. While not as dramatic a change, there have also been improvements in the capital budget format and the internal process of developing the six-year Capital Improvements Program (CIP). As an example, OMB has developed an on-line system for computerized CIP processing. In addition, production of a companion document to the operating budget, the Personnel Complement, has been automated.

26. OMB has the responsibility for reviewing the budgets of other County agencies which, although not part of the County government, the County Executive must make expenditure recommendations to the Council. Since its establishment, OMB has not allocated sufficient resources to conduct ongoing budget review and program analysis of these other County agencies. To correct this unsatisfactory situation, OMB is proposing an internal reorganization in its FY 84 operating budget which will create a new Interagency Analyses and Review Division.

Program Implementation

27. Under this broad title are the many actions which make up the "management" functions of the Office of Management and Budget. The legislation establishing OMB specifies two specific management related functions:

.Coordination of productivity improvement activities, including management, organization and systems analyses and projects; and

.Other management functions as assigned by the Chief Administrative Officer.

28. On various occasions the Council has emphasized and elaborated on the management responsibilities of OMB. This portion of the evaluation will examine several of the more significant OMB management initiatives.

29. In July 1981, the County Executive approved a Management Agenda which identified three relevant goals, four broad strategy areas and a number of major projects to achieve effective resource management. The three specific goals of the Management Agenda are:

.Reduce the relative size and rate of growth of County government without a significant decline in services;

.Fulfill present commitments and prepare responsibility for the future; and

.Improve the effectiveness and efficiency of County operations.

30. The Office of Management and Budget was designated as lead agency for developing the projects, setting the guidelines and coordinating the activities relating to the Management Agenda. Overall, OMB has met or is meeting the expectations of the County Executive in accomplishing the goals of his Management Agenda.

31. The major projects, either developed solely by OMB or with significant OMB input, which have had the most impact on fulfilling the goals of the County Executive's Management Agenda are the following:

.Work programming;

.Program performance measurement;

.Position management;

.Performance planning and appraisal for department heads;

.Personnel Manual and Employee Manual;

.Management Development Program; and

.Performance indicators;

32. Each of the above management projects contributed toward improving the County's ability to make more effective resource allocation decisions. While some of the Management Agenda projects have received less than enthusiastic support from department heads, all projects have had the encouragement and support of the County Executive.

Program Evaluation

33. In his September 1979 reorganization proposal, the County Executive acknowledged the lack of program evaluation. The County Council concurred and included program evaluation in the enabling legislation as one of OMB's functions. In November 1980, the Council articulated the following program evaluation strategy for the County government:

.Departments evaluate their own programs;

.OMB assure departments have capability and incentive to do program evaluation and undertake its own independent evaluations; and

.Council assure that the Executive branch has a substantial evaluation capability and undertake its own selective evaluations through the Office of Legislative Oversight.

34. Over the past three years, the Council has repeatedly emphasized the need for OMB to set up a systematic evaluation program. In the same November 1980 Council memorandum cited above, a series of evaluation questions for programs was suggested:

.Were the goals and objectives accomplished? Were they well-defined and reasonable? Should they be modified?

.What was the cost of implementation?

.What were the unintended consequences?

.Have steps been taken to correct problems identified?

.What changes are indicated?

35. The goals and strategies enumerated in every OMB operating budget and in the OMB annual work program have indicated a major commitment to program evaluation. However, while there is evidence of some program evaluation in the departments, OMB resources have not been committed either to conducting evaluations, or to providing evaluation assistance, coordination, or guidance to County agencies. The one major evaluation conducted by OMB in the past three years, in compliance with the 1979 reorganization legislation, was a review of all departments and offices affected by the reorganization with the exception of OMB.* The lack of emphasis on program evaluation has been repeatedly acknowledged by

*See OLO Report #82-6, October 5, 1982 for a critique of the OMB's evaluation of the County Executive's 1979 Reorganization.

OMB. In an attempt to correct this unsatisfactory situation, the OMB FY 84 operating budget recommends that the Strategic Planning Unit in the OMB Director's Office be enlarged and assigned the responsibility of developing an evaluation program.

Efficiency with which OMB has operated.

36. To obtain a broad opinion on the operating efficiency of OMB, interviews were conducted with the following:

- .The County Executive and Chief Administrative Officer;
- .The Director of OMB;
- .Eleven directors of other County Government departments;
- .Fifteen OMB staff members; and
- .Officials of three other County public agencies.

37. The interviews, conducted with the assurance of nonattribution, were highly informative and candid. The interview questions concentrated on three broad areas: the validity of OMB goals and strategies, management and budget operations under OMB, and the relationship of OMB to operating departments and agencies.

38. As was anticipated, the interviews elicited a wide range of opinions; however, there was a significant consistency in the views of the department heads and OMB staff members and a noted similarity in their critical evaluation of specific OMB activities. Outlined in subsequent paragraphs are examples of OMB management efficiencies and shortcomings as expressed in interviews with officials, department directors and OMB staff.

39. OMB Management Efficiencies

a) There is almost universal agreement that establishing an Office of Management and Budget has brought structure, standardization and centralization to the County's management and budget processes and provided the departments with a single staff agency to coordinate budget and management activities. The missions, goals and strategies of OMB are considered appropriate and necessary. It is the unanimous opinion of those interviewed that the County Executive has given OMB a strong and visible role in accomplishing his priority tasks and that OMB has been carrying out that role to his satisfaction.

b) Likewise, the OMB staff believe that the creation of OMB has provided an organizational framework to introduce management initiatives and institute improvements in the budget format and process which were not possible under the old organization. Further, the OMB staff interviewed believe that prior to the establishment of OMB, County government was too decentralized and lacked the ability to mount a coordinated and concentrated attack on critical problems--such as cutting back the size of government.

c) The department directors interviewed also agree that OMB has made significant improvements in the operating budget format and process. One example most often cited is the introduction of work programming and the interrelationship between department work programs and department budgets.

d) Those members of the OMB staff who were primarily involved in budget operations prior to the reorganization consider that their current involvement in management initiatives, especially work programming and productivity improvement measures, enhances their capability to review budgets and analyze programs. Additionally, there is almost universal agreement that combining the capital and operating budget operations is a marked improvement over the previous split organization. While admitting that there have been problems associated with integrating the two budget staffs, the consensus is that the benefits of integration far outweigh any problems.

e) Finally, there is also a noticeable consensus that, on the whole, OMB management initiatives have benefited the departments. Most often mentioned were three elements of the County Executive's Management Agenda: work programming, performance measurement and the management development program. However, while generally approving of these initiatives, department directors acknowledged that implementing the management initiatives requires the commitment of departmental resources which are already in short supply.

40. OMB Management Shortcomings

a) The comment heard most often relates to OMB's over-control and intrusion into department and program manager's areas of responsibility. While conceding that centralization is probably a desirable direction for County government, and acknowledging that OMB is carrying out the desires of the County Executive, there is near unanimity that OMB exercises too much control over departmental operations and involves itself in what are essentially internal resource and management decisions. A serious consequence of this over-control and excessive involvement, according to those directors interviewed, is that the role of the department directors has diminished and there has been a noticeable lowering of employee morale.

b) The majority of those in OMB who were interviewed agree with the department directors that OMB is into many areas which are more appropriately the responsibility of the individual departmental staffs. Those interviewed almost universally agree that OMB's current level of involvement in departmental operations reduces the time which the OMB staff can devote to conducting indepth budget reviews and analyses, to visiting department work locations and conducting on-site studies, or participating in any long range planning activities.

c) In addition to criticizing OMB's intrusion into internal departmental operations, the department directors also criticize OMB for recommending program changes and personnel reductions without the benefit of systematic indepth program analyses and evaluations. Numerous examples are cited where significant budget and program reduction decisions were made by the County Executive or Chief Administrative Officer which,

according to the directors, would have been more favorable to the department director's position had there first been a critical budget or management analysis.

d) Another often heard criticism concerns the absence of a program evaluation capability either in OMB or in the operating departments. The opinion of those interviewed is that objective program evaluation would provide program managers valuable feedback on the operations of their programs. In addition, most department directors feel that an objective evaluation program would confirm the efficiency and effectiveness of their respective programs.

e) Finally, a critical observation by the OMB staff members who were interviewed concerns their feeling that OMB must improve its "image". The OMB staff members consider themselves to professional, objective and neutral when analyzing department budgets; however, they conceded that that view is not shared by department and agency staffs. While recognizing that total agreement and harmony between the OMB staff and department and agency staffs may be impossible, and may even be undesirable, they feel that there is room for more cooperation, exchange of information, and understanding of the roles and responsibilities of the respective staffs.

41. Observations of the Interview Comments

a) The criticism most often cited concerns OMB's over-control and over-involvement in department/program operations. There is a strong consensus that OMB exceeds its authority and responsibility, with two examples most often cited. The first is that OMB intrudes into the Chief Administrative Officer's functional responsibility of establishing general operating policy. Their criticism is that overall operating policy is being made by OMB through critical resource allocation decisions, e.g. position management. The second example concerns OMB's involvement in what is considered to be programmatic areas. The example universally cited is OMB's activities in personnel policy and personnel related matters.

b) There appears to be a need to take corrective action to improve the professional relationship between OMB and the departments. The first suggestion is for the County Executive to clarify the lines of authority and responsibility of the Chief Administrative Officer, the OMB director and the other department directors for establishing general operating policy, specific program policies and procedures, and budget oversight, analysis and control. The second suggestion is for department and agency directors to clarify and explain the role of OMB to their respective staffs. In the view of the OMB staff members interviewed, departmental staff are under the incorrect assumption that the role of OMB ceases when the County Executive's recommended annual operating budget is approved by the Council and funds are appropriated. OMB management and staff believe that, while it is the responsibility of department directors to manage funds appropriated to their department, the Council and the County Executive expect OMB to play a continuing role in the ongoing process of budget implementation which includes oversight, analysis and, at times, control. Finally, in the opinion of most department directors and some OMB staff members, there is a need for the OMB staff to receive more training in budget and program analysis techniques and procedures.

This training would not only enhance the technical proficiency of the OMB staff, but would also improve their image and credibility.

42. Management of OMB.

a) In evaluating the efficiency of any department, an examination of the quality of leadership of the director is germane. Since OMB was established, there has only been one permanent director. When Dr. Jacqueline Rogers assumed her position three years ago, she essentially had two basic missions. The first was to make OMB work--to quickly establish the position and role of the new Office of Management and Budget in the organizational scheme of County government. The second and equally important mission was to direct the major efforts of OMB toward accomplishing the County Executive's goal of reducing the relative size and growth of County government. Both missions are being accomplished because the OMB director has moved forcefully and effectively toward accomplishing the Executive's Management Agenda and, most important, the OMB director has had the full support and confidence of the County Executive.

b) Under the strong leadership of the director, OMB has made an indelible impact on management and budget issues and has taken the lead in the Executive branch in reducing the size and rate of growth of County government. Although there are mixed opinions as to the propriety and wisdom of many of OMB's actions in bringing about this reduction, there is a pronounced consensus that the OMB director has been the principal architect. While the primary goal of OMB has been to reduce the size and cost of government, the principal means of achieving that goal has been through a centralized resource allocation process where OMB has had the dominant role and its director a pervasive influence.

c) The success of OMB in accomplishing its missions, however, has not been without controversy. First, and probably the most serious consequence, has been the deteriorating relationship between some departments and OMB. As stated earlier in this report, every department director interviewed supports the concept of an OMB and endorses the validity of its basic mission and goals. However, many believe OMB has gone beyond its fundamental mandate. They disapprove of the extent of OMB's intrusion into their departments and the overall "tone" or "quality" of the relationship between OMB and the line and staff departments. The consensus is that OMB should have a "peer" relationship with other departments and agencies instead of the current relationship, which is generally described as, "OMB being first among equals."

d) The second consequence is that the OMB staff has moved into areas which, in the opinion of all department directors interviewed, is more appropriately the responsibility of the department and program directors. The OMB staff has found that it often has insufficient time and background to accomplish in a thorough and professional manner the many tasks assigned. However, despite a reduction in personnel and work years in OMB, and a feeling that they are over-involved, the OMB staff displays high morale, enthusiasm and loyalty to the OMB director--all positive indications of her leadership skill.

43. An assessment of other activities and consequences not specifically anticipated at the time OMB was created. When OMB was first established, the responsibility for coordinating Executive branch analyses and proposals regarding cable television legislation, franchising and related matters was placed in that office. Over the past three years, the efforts in the County's cable television program has multiplied to the extent that in FY 84 OMB is proposing to establish a separate operating division dedicated to Cable Television Management. The primary responsibility of this division would be to ensure that the Cable Television system is built, maintained and supported. In establishing this new division the OMB director has stated that the optimum placement of cable television functions has yet to be determined.

VI. CONCLUSIONS.

1. The overall conclusion of this evaluation is that the Office of Management and Budget has strengthened the budget and management processes in County government which in turn has enabled the County Executive and County Council to make more effective resource allocation decisions and to use allocated resources more efficiently.

2. During its first three years, the emphasis of OMB has been on improving the budget format and implementation process and in developing management initiatives to enhance the accomplishment of the County Executive's goals of reducing the size and rate of growth of County government and improving the effectiveness and efficiency of County operations.

3. In the two important management areas of long-range planning and program evaluation, OMB has not performed up to its own expectations or to the expectations of the County Council; however, the FY 84 OMB operating budget reflects a new emphasis and commitment to the development of a long-range planning process and an evaluation program.

4. Although OMB has brought structure, standardization and centralized direction to the County's management and budget process, some department directors interpret OMB's current power and pervasive activities as over-control and an intrusion into their areas of responsibility.

5. There is a need for the County Executive to clarify the lines of authority and responsibility of the Chief Administrative Officer, the OMB director and the other department directors for establishing general operating policy, specific program policies and procedures, and budget oversight, analysis and control.

6. In general, several benefits in computer services operations have been derived as a result of the reorganization, especially in the area of improved management to support the new systems development and documentation standards; however, there are several areas where opportunities exist to improve the overall effectiveness and efficiency of computer services delivery.

7. The legislation which Council enacted in December 1979, establishing the Office of Management and Budget as a principal office of the Executive branch is adequate.

VII. RECOMMENDATIONS. It is recommended that:

1. No changes be made to the law establishing the Office of Management and Budget. (Section 2-64K, Montgomery County Code, 1972, as amended).

2. The County Council approve this report and forward it to the County Executive for action as deemed appropriate.

VIII. AGENCY/DEPARTMENT COMMENTS AND OLO RESPONSE

On April 18, 1983, the Director of OMB concurred with the draft report without any changes.

REPORT ON MANAGEMENT REVIEW
OF
MONTGOMERY COUNTY COMPUTER
SERVICES

TOUCHE ROSS & CO.

MARCH , 1983

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I. REVIEW OBJECTIVES AND APPROACH

A. REVIEW OBJECTIVES

The Office of Legislative Oversight was given a charter to assess the impact of the establishment of the County's Office of Management and Budget (OMB). We provided assistance in this effort by reviewing the county's computer services area to determine the impact of reorganizing these functions under the OMB structure.

The key objectives in conducting the review of the County's computer services functions were to:

- o Identify the degree to which the goals and objectives to be accomplished by the reorganization have been met;
- o Determine the impacts the reorganization has had on the computer service planning and budgeting process, and overall operational efficiency;
- o Determine the impact of separating the systems and data center functions into separate divisions; and
- o Assess the users perception of the impact of the reorganization on computer services.

The approach used to accomplish the above objectives are described below.

B. REVIEW APPROACH

Our overall approach in performing a limited management review of Montgomery County's computer services areas was to conduct a series of interviews and review available documentation where appropriate.

The specific activities included:

- o Conducting interviews with the OMB Director and key personnel in the Management Systems Division and Computer Services Division;
- o Conducting a survey of users' of the county's Computer Services; and

- o Reviewing documentation on recent studies and evaluations of the County's computer services operations.

The purpose of the interviews with OMB personnel was to understand the rationale for the reorganization of computer services, the changes in operation which have occurred since the reorganization, and the impact of these changes on current computer services operations. Based on comments and findings resulting from the interviews additional documentation was collected and reviewed as appropriate.

We also conducted a user survey to obtain an assessment of the users perception of the efficiency and effectiveness of the County's computer services support under the reorganization.

It should be noted that our review of the County's computer services did not involve an in-depth analysis of current operations. However, we have obtained considerable knowledge of the County's operations from prior projects conducted in recent months. These projects include:

- o A risk analysis study of the County's computer services operation;
- o An assessment study of the County's school board long-range computer capacity requirements; and
- o An annual audit of the county's financial operations.

Accordingly, our findings in this report draw upon this prior experience and our overall assessment of current operations as a result of interviews and observations.

II. GENERAL OBSERVATIONS AND FINDINGS

A. Background

In 1979, the Office of Management and Budget (OMB) was established as a principal office of the Executive Branch of Montgomery County. The County's computer services department was reorganized under this office as two separate divisions - Management Systems and Computer Services.

OMB management indicated that the primary objectives of the reorganization was to provide a structure for improved management and more efficient delivery of computer services. The key problems cited at the time of reorganization of computer service were:

- o Computer systems were not being developed in the most effective and efficient manner;
- o Documentation for existing and new systems was not complete and readily available to facilitate program maintenance;
- o Systems development standards and productivity techniques did not exist;
- o Segregated activities around the dedicated team concept did not allow optimum allocation of resources; and
- o Appropriate planning, budgeting and performance monitoring procedures relative to overall computer services operation did not exist.

To address these problems the computer service functions were brought under OMB's control as two separate divisions.

The Management Systems Division was established as the component responsible for all applications development, maintenance, and analysis and evaluation functions. The Computer Services Division was established as the component responsible for all data center operations such as data entry, computer operations and technical services.

Prior to the reorganization, computer systems development and maintenance was accomplished via a team concept whereby individual teams were dedicated to particular department(s). Under the reorganization, sections were established with separate responsibilities for all systems development activities and all maintenance activities. A separate Analysis and Evaluation Section was also established in the Management Systems Division in an attempt to address the issues around planning, budgeting and evaluation. During

our review it was indicated that the concept of this organizational component has not worked operationally and is being eliminated.

To assist users in obtaining more timely access to information reporting a User Information Center was established within the User Information Services Section -- the Systems Maintenance Group. Current plans are to establish the center as a separate section within the Management Systems Division.

B. Observations and Findings

In conducting our review we focused primarily on the issues which were cited as the driving force for reorganizing computer services under OMB. Consequently, we conducted a general assessment of current operation in terms of:

- o The systems development and maintenance process;
- o Documentation standards relative to new and existing systems;
- o Resource allocation methodology and training process;
- o Data center operations;
- o Overall systems planning, project management and performance monitoring approach; and
- o Overall user satisfaction of computer services support.

Our general observations and findings for each of these areas are provided below.

Systems Development and Maintenance Process

Prior to the reorganization, computer systems development in the county did not occur in a standardized and consistent manner. As mentioned previously, systems were developed and maintained around a team concept, and formalized standards to systems development did not exist in an integrated fashion. Approximately a year ago, the Management Systems Development Group acquired a system development methodology - SYSTEMACS. To date, the methodology has been used for two system development efforts.

Our review of the process and the interim end-products developed indicates that the implementation of this process has significantly improved the effectiveness and efficiency of development efforts. We noted, however, that the current

development approach does not appear to provide a smooth transition of systems to a maintenance environment. Management System personnel indicated that at the time of systems conversion, the maintenance group receives procedures and appropriate documentation for systems operation. However, there is no formal provision for an interface between these groups prior to this time. In addition, there is no formal provision for technical support from the development group team after implementation.

To facilitate systems design and programming efforts the development group has acquired an on-line systems design support package -- ADF, and is planning to purchase an application generator package in the near future.

Systems Documentation Standards

As mentioned previously, a formalized system development methodology is currently being used by Management Systems for new development efforts. Embedded in this methodology are documentation standards for each phase of the systems development process. Our review of the documentation being developed for the new system for Highway Maintenance indicated that systems documentation has improved.

Management systems personnel indicated, that documentation for existing systems has not been formally brought under these standards. A study was conducted by an independent group in 1982 which recommended that funds to "clean-up" documentation be expended immediately. The User Information Section indicated it is currently working on upgrading documentation for existing systems. A "Transition" plan has been developed to create a central filing system of documentation (e.g., Program listing, flow charts, etc.) for each existing system. Management indicated that approximately 25 of the 45 production systems have been brought under this new scheme. However, a comprehensive review of each system's documentation package has not been conducted to ensure completeness and consistency of documentation across all systems.

Resource Allocations Methodology and Training

In general, all Management Systems and Computer Services personnel interviewed felt that the reorganization improved service delivery efficiency by eliminating the dedicated team concept. Under the current structure the systems development group has responsibility for all systems development efforts. Consequently, resources can be allocated appropriately based on system development priorities. Also under the current structure, there is a dedicated group for all program maintenance activity. This has provided a more concentrated effort to support of maintenance activities and user requests for system enhancements.

Several management staff indicated that the impact of the current structure relative to maintenance has been a decrease in staff morale. In addition, it was felt by some that the current structure prohibits adequate recognition of "good performance" for maintenance personnel. The maintenance group staff complement has also decreased under the reorganization from approximately 30 people to 12. However, personnel indicated that the workload has not decreased and that approximately 80 percent of the computer services workload historically has been maintenance.

In the area of training, Management agreed that significant improvement has not been made. Currently, training is assessed and occurs on an informal basis. There are no formal training plans developed for each staff member, and a formal training budget is not established at the section level. Management indicated that most of the current staff have experience in system development on large main frame systems. Areas where management felt staff skills were weak were:

- o Systems development in a minicomputer environment;
- o Minicomputer, microcomputer technologies in terms of hardware capabilities and package software support;
- o New technologies in systems development alternatives; and
- o Data communications and systems engineering experience.

Management indicated that in recent years high priority has not been given to training in the budgeting process. However, training has been stressed in this year's budget requests.

Data Center Operations

The County's Computer operations and adjunct activities are in a separate Division. The Computer Center chief and the Management Systems chief report directly to the Director of OMB. The interface between the Computer Center and Management Systems occur primarily for new systems capacity planning activities, maintenance activities, and technical support services.

An independent study of data center operations was conducted several months ago. This study recommended several improvements be made to reduce the exposure to loss of operations for a long period of time. Major recommendations included:

- o Developing off-site back-up techniques for key data files, and programs;
- o installing fire protection equipment in the computer center; and
- o Developing a computer center disaster plan.

Our review indicated that most of the recommendations made are being implemented. However, the Computer Center chief indicated that the recommendation to develop a disaster plan for data center operations has not been accomplished due to other competing priorities.

System Planning, Project Management, Performance Monitoring Approach

Management indicated that system planning activities occur annually in the form of a departmental work program. Each department is requested during the budget process to submit a statement of system request needs. Data processing management analyzes each request and decides reasonableness based on resources required and expected benefits. Discrepancies are worked out with users and a work program of tasks/projects which will be addressed by Management Systems during the fiscal year is developed for each department.

Management Systems management indicated that this is the only level of systems planning currently performed.

More longer-term (two-to-three years) strategic systems planning relative to new system development needs and priorities, current system enhancement and integration opportunities, resource requirements and hardware capacity requirements has not occurred to date.

Our review also indicated that a formalized approach to project management reporting and performance monitoring has not been established. The system development group is a workplan approach on major system development efforts whereby major tasks/activities are defined and target completion dates established. Monthly progress reports are developed for internal management, and from time to time progress memos are submitted to users involved in the development effort. Development efforts of a smaller nature do not appear to be controlled by a formalized reporting and performance tracking system. Management indicated that an automated project/task tracking system that provides project status and performance (planned vs. actual completion date and resources) has been purchased but has not been used to date for new systems development efforts.

User Satisfaction

Our survey indicated that the users in general appear to be satisfied with the current level of support received from the computer services area. Several users indicated that their satisfaction level increased as a result of the reorganization under OMB. Similarly, several users expressed a decrease in satisfaction as a result of the reorganization.

The primary reasons cited for increased levels of satisfaction included more timely reporting, better response to user maintenance requests, and improved reporting and analysis capability with the establishment of the Information Center. The primary reasons cited for decreased levels of satisfaction included personnel learning curve impairments with the dismantle of the team approach, cut-back in available resources, lack of personnel skills in new technologies relative to systems development, charge-back system inequities relative to re-runs and processing errors, and lack of adequate documentation for existing systems. There was also a general level of dissatisfaction among users relative to the FAMIS system--the county's financial accounting system. Several users felt that FAMIS has significant problems in the areas of:

- o Responsiveness to users current information reporting requirements;
- o Timeliness of output reporting;
- o Processing efficiency; and
- o Ease of use.

Management systems personnel indicated that the responsibility for maintaining current and relevant user procedures rest with the Finance Department. They also felt that a major contributor to FAMIS' lack of popularity was due to inadequate procedures. In Exhibit C we have summarized the overall results of the user survey.

C. Overall Conclusions

In general, our assessment of current computer services operations is that several benefits have been derived as a result of the reorganization. This appears to be especially true in the area of improved management to support the new systems development and documentation standards. However, our review results indicated that there are several areas where opportunities exist to improve the overall effectiveness and efficiency of computer services delivery.

In the section that follows we have developed recommendations in those areas where we believe there are immediate opportunities for improvements.

III. OPPORTUNITIES FOR OPERATIONAL IMPROVEMENTS

Based on our observations and findings during our review of Montgomery County's Computer Services areas we recommend the following action steps be taken to enhance overall operational effectiveness:

1. Expand the Systems Planning and Management Approach for all Computer Services Functions

As mentioned previously, the Management Systems Division has implemented an annual planning process for computer services activity, and has established project management tools for major new development efforts. However, the planning process does not currently consider long-range needs in the areas of new systems development and maintenance activities, and associated resource requirements based on future county information processing needs.

OMB indicated in its 1984 budget package that a major goal was to "further enhance and manage the delivery of computer services by improving program documentation increase programmer productivity..... increase assistance to agencies using data processing systems....." To facilitate this strategy, we recommend that OMB expand the current level of systems planning to include a county-wide long-range strategic plan. We recommend that the plan be developed as soon as possible to span a three-year period. The components of this plan should address:

- o New systems development activities to be conducted over the next three years and associated resource requirements (personnel and hardware);
- o Opportunities for enhancing and integrating existing information processes to provide improved operating efficiencies and user responsiveness;
- o Benefits to be derived from each new development effort in terms of cost savings, improved management control, etc.;
- o Other systems maintenance activities to be conducted and associated resource requirements; and

- o The major activities to be conducted such as office automation studies and implementation activities and associated resource requirements.

The establishment of a long-range strategic plan would allow management to better assess long-term county systems support needs. The plan would also allow the establishment of priorities relative to the usage of current resources, and identify any potential operational constraints in supporting long-term computer service requirements.

2. Ensure that a Comprehensive Personnel Training Assessment is conducted and a Formalized Training Program is Implemented

It was a general consensus among the county's data processing management and generally users that current computer services personnel technical skills could be significantly enhanced. The apparent trend in the county is to move toward a more decentralized processing environment for several functions. Under this approach, there will be an increased need for computer personnel support to be knowledgeable of new technologies in systems development on smaller computers, and new hardware/software capabilities in supporting a quasi-decentralized environment.

OMB has requested funds in this year's budget to conduct a training needs assessment. We concur with the apparent priority being given to this activity, and recommend that OMB Management conduct a comprehensive analysis of the training needs of all personnel in the Management Systems Division and Computer Services Division as soon as possible. This analysis should include:

- o An assessment of current skills based on job function and responsibility;
- o An assessment of desired skills based on the job function and responsibilities; and
- o Individual training requirements to obtain the desired skills for the job function.

Training skill requirements should be developed based on the type of information processing support the county will require in the next several years, and the Computer Divisions' current abilities to effectively provide this support.

3. Reassess Approach and Priority for Completing the Documentation Effort for Existing Systems

A significant number of the County's Computer Systems have been operational for a period of time. Recent attention has been given to improve the documentation for existing systems by the establishment of a central filing system of documentation for all operational systems. Our observations indicated that there is no formalized approach to ensure that the documentation established for these systems will be consistent across all systems. In addition, it was not apparent that this activity is being conducted on a high priority basis.

A dissatisfaction expressed by several users related to the inadequacies of current systems documentation. Lack of adequate documentation can impede the effective use of resources for systems maintenance activities, and create significant system exposures in the absence of critical personnel with extensive knowledge of a particular system.

To address this issue in an effective and timely fashion, we recommend that OMB Management reassess the current approach for completing the documentation of existing system. An alternative approach we offer for consideration includes:

- o Developing a standardized documentation package to be used for completing all documentation of existing systems; and
- o Establishing a documentation audit committee to review each existing system's documentation once complete to ensure that established standards have been used.

We recommend that the documentation audit committee comprise at least one user representative of the particular system and data processing personnel unfamiliar with the system. This approach would ensure that the documentation is not only complete but can be used to facilitate system maintenance by individuals other than those with extensive knowledge of the system.

4. Implement the Project Monitoring and Tracking System for all Management Systems Division Activities

The Management Systems Division recently purchased a Project Management Package that has been utilized on some Project activities. However, this system is not consistently used by all sections for all projects and/or tasks performed.

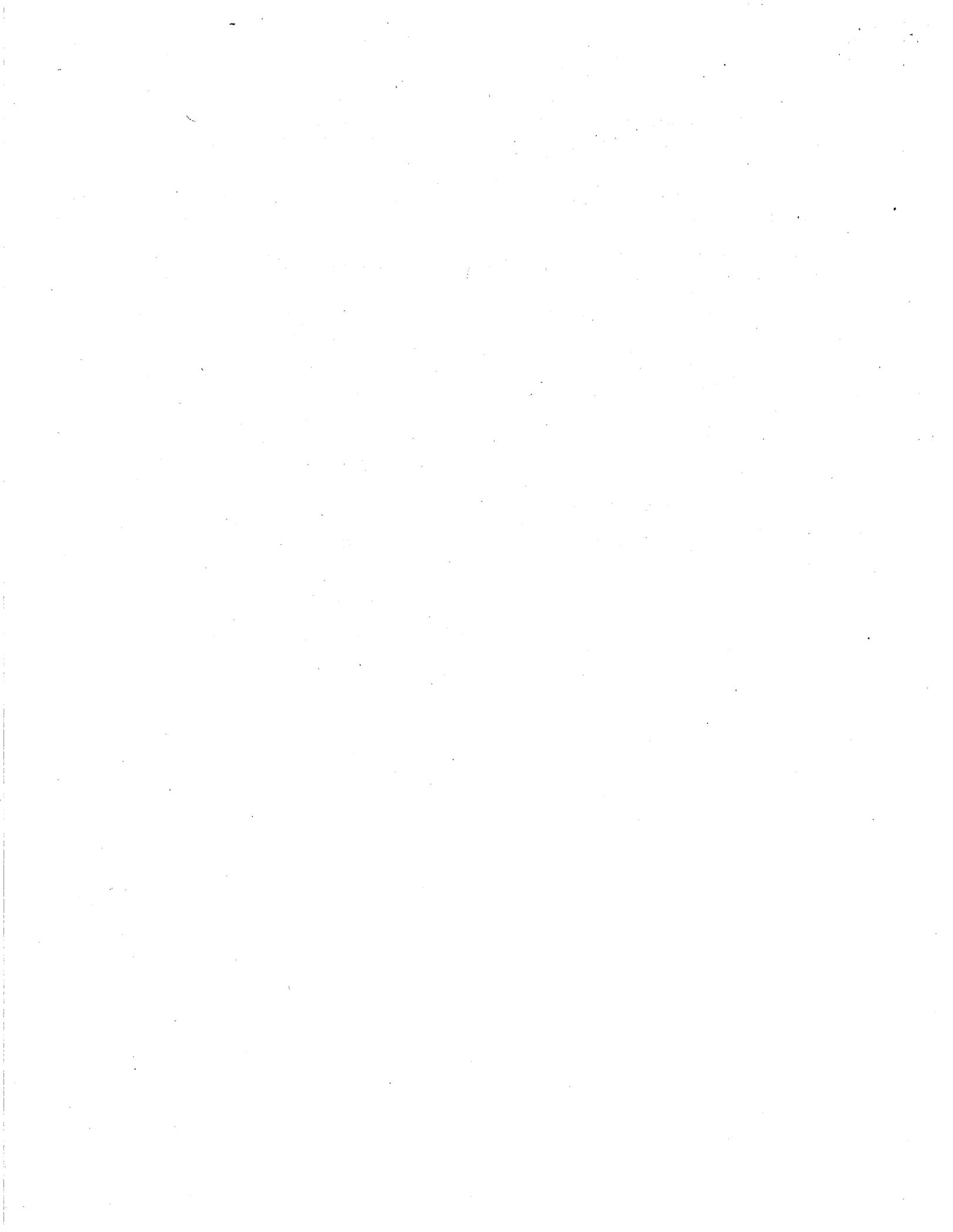
We recommend that the use of this package or modified version be expanded to include all activities performed in the Management Systems division requiring resources greater than 40 hours. This mechanism would provide management a means of monitoring project performance and resource utilization on a regular basis.

5. Conduct a FAMIS Systems Improvement Study

Our user survey indicated a high-level of dissatisfaction among many users of the FAMIS system. There appear to be several contributing factors to users' unhappiness with FAMIS. The specific problems and causes were not apparent during our review. However, we feel that FAMIS is a critical component of the County's financial operation and should be responsive to user information processing and reporting requirements.

Consequently, we recommend that OMB management establish a review team, comprising Management System personnel, Finance personnel, and key user personnel, to conduct an analysis of FAMIS enhancement needs. This study should address current inefficiencies in FAMIS and identify opportunities to:

- o Increase timeliness of management reporting;
- o Improve timeliness of year-end closing; and
- o Improve control reporting and processing efficiencies.

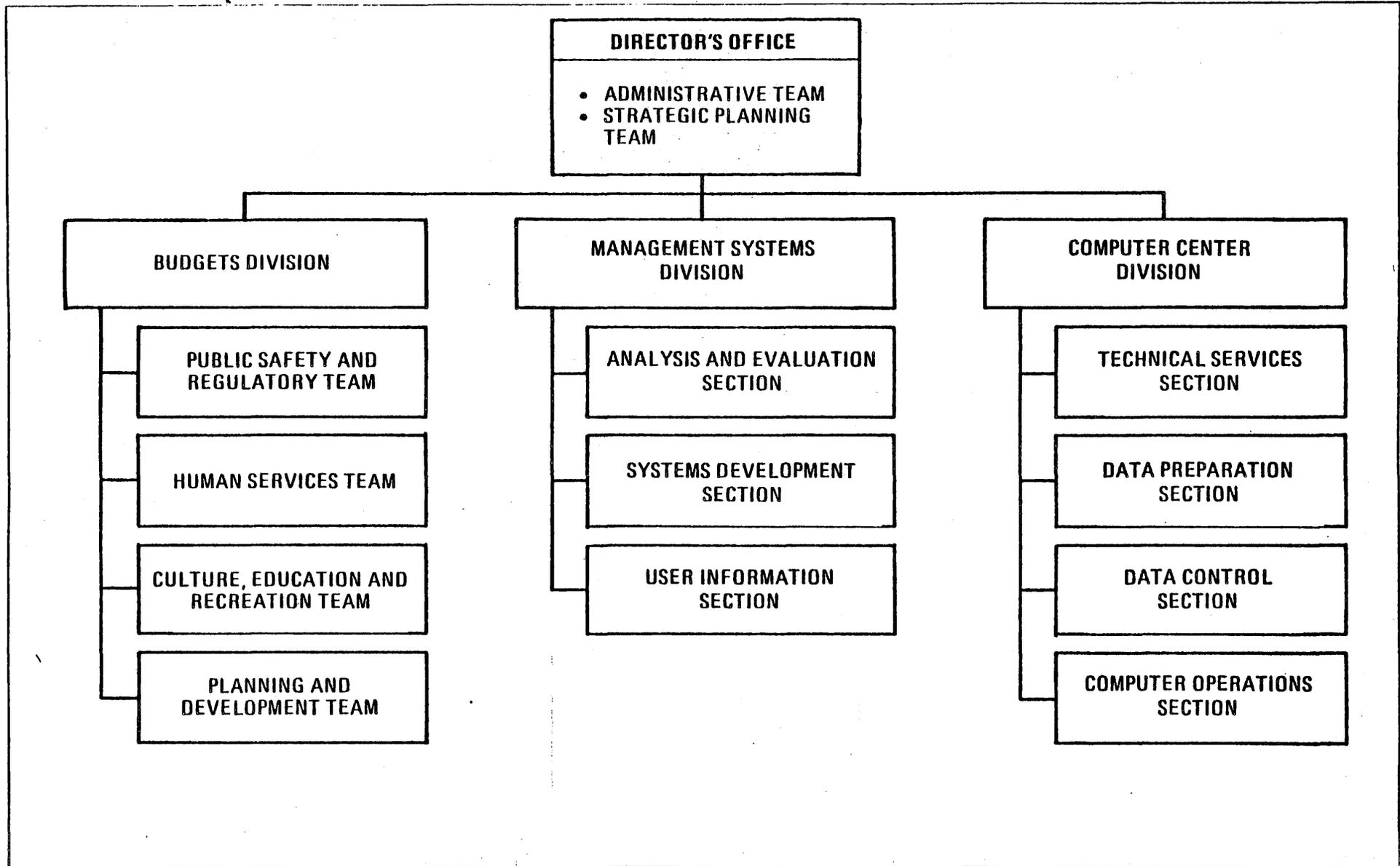


ORGANIZATION GUIDE

ISSUE DATE:
JULY 1982

OFFICE OF MANAGEMENT AND BUDGET

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FY 83 OMB GOALS AND STRATEGIES

GOALS

1. Promote effective management throughout the government by providing centralized, integrated fiscal oversight and policy formulation capabilities;
2. Improve accountability throughout the government by institutionalizing and integrating work programming, program performance measurement, employee performance planning, and long-range planning through the PSP;
3. Assist the County Executive, Chief Administrative Officer, and County Council in making the best resource allocation decisions possible by ensuring that accurate and complete information is made available as a basis for such decisions;
4. Ensure that resource allocation decisions are implemented in the most efficient and effective manner possible; and
5. Ensure that the County's data processing and analysis capabilities are effectively and efficiently utilized.

STRATEGIES

1. Complete OMB's reorganization by establishing, in one Division, budgeting teams responsible for the review and analysis of all capital and operating budgets;
2. Staff a management planning process for the County Executive and CAO which is prospective in nature, integrates long-range program planning, work programming, employee performance planning, program performance measurement and evaluations, and links the Public Services Program to the capital and operating budgets;
3. Coordinate the further enhancement of centralized administrative systems by completing the updating of the Administrative Manual, continuing refinements of the Personnel Manual, participating in the development of program statements for facilities, and refining the Position Control/Personnel Management system;
4. Coordinate refinement to Executive policy in broad areas of public concern such as transportation, human services, and public safety, by ensuring that interagency coordination occurs in program development, that funding requests are related to agency activities and service levels, and that the implications of policy and budgetary decisions are fully understood;
5. Provide for improvements in program evaluation and performance measurement efforts so that high-quality government services are effectively and efficiently delivered in order to increase the accountability of the government; and
6. Further enhance and manage the delivery of computer services by improving program documentation, increasing programmer productivity, coordinating office automation efforts, increasing assistance to agencies using data processing systems, and providing more direct assistance to system users.

EXHIBIT C

SUMMARY OF USER SURVEY RESULTS

<u>CATEGORY</u>	<u>NO. OF. RESIDENTS</u>
o Length of time using County's Computer Services	
- 0-3 years	4
- 3-6 years	3
- 6-9 years	5
- 9-12 years	5
- Since Inception	<u>4</u>
Total	<u>21</u>
o Overall Level of Satisfaction	
- Very satisfied	9
- Mildly satisfied	9
- Very dissatisfied	3
- Mildly dissatisfied	<u>1</u>
Total	<u>21</u>
o Change in level of satisfaction since Reorganization	
- Increase in level of satisfaction	9
- Decrease in level of satisfaction	4
- No change	<u>8</u>
Total	<u>21</u>
o Expected Increases in Computer Services Usage	
- Will increase usage in future	15
- Will decrease usage in future	4
- No change	<u>2</u>
Total	<u>21</u>

