

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE BILL 1051

Short Title: Performance Manage. & Accountability Program. (Public)

Sponsors: Senators Berger of Rockingham; and Brock.

Referred to: Finance.

March 31, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH A COMPREHENSIVE PERFORMANCE MANAGEMENT AND
3 ACCOUNTABILITY PROGRAM AND BUDGET SYSTEM.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** The General Statutes are amended by adding a new Chapter to read:

6 **"Chapter 143E.**

7 **"Comprehensive Performance Management and Accountability Program and Budget**
8 **System.**

9 **"§ 143E-1. Comprehensive Performance Management and Accountability Program.**

10 The Director, through the Office of State Budget and Management and the Governor's
11 Policy Office, shall establish a comprehensive performance management and accountability
12 program and budget system that incorporates performance management and accountability
13 techniques that include strategic planning, improvement of management functions, and a
14 formal program review and accountability program. The system shall be developed following a
15 review of best practices in other states. The system may include the components outlined in
16 G.S. 143E-2 through G.S. 143E-5.

17 **"§ 143E-2. Strategic planning.**

18 Each department shall develop a strategic planning process and continually update a
19 strategic plan in compliance with guidance from the Office of State Budget and Management
20 and the Governor's Policy Office. Each department shall submit its plan annually to the Office
21 of State Budget and Management and the Governor's Policy Office. The plans shall include
22 clear, concise, and focused statements of at least the following:

- 23 (1) The mission of the department.
24 (2) The goals of the department.
25 (3) The strategies for achieving department goals.
26 (4) Measures that demonstrate how well the goals are being achieved.
27 (5) A description of the department's strategic planning process.

28 **"§ 143E-3. Performance tracking of management functions.**

29 Each department shall improve the performance of its core management functions. The
30 Office of State Budget and Management, in consultation with the Governor's Policy Office,
31 shall set measurable goals for the core management functions. The core management functions
32 shall include all of the following:

- 33 (1) Financial management.
34 (2) Procurement.
35 (3) Information technology management.
36 (4) Capital planning.
37 (5) Human resources.



1 (6) Customer service.

2 (7) Strategic planning, performance management, and budgeting.

3 **"§ 143E-4. Program performance.**

4 For each division, program, or service area administered in whole or in part by the
5 department, the department shall do all of the following:

6 (1) Establish annual and long-term goals that support the department's goals and
7 are clear, concise, focused, and defined by objectively measurable outcomes.

8 (2) Measure progress toward achievement of the department's priorities.

9 (3) Efficiently use resources in making that progress.

10 (4) Specify action items for achieving goals and assign a responsible party for
11 each item, including local partners.

12 (5) Assist the Governor, through the Office of State Budget and Management, in
13 making budget recommendations to the General Assembly that are
14 supported by objective performance information.

15 **"§ 143E-5. On-site accountability and site visits.**

16 (a) In addition to the other requirements of this Chapter, selected agency programs and
17 services may be subject to more frequent reporting and review of their goals and measures. A
18 process for measuring, evaluating, and publicizing the progress of selected agency programs
19 and services may be established to do all of the following:

20 (1) Facilitate and accelerate the achievement of program goals.

21 (2) Improve coordination and progress toward crosscutting State goals.

22 (3) Identify and remedy management problems or inefficiencies.

23 (b) These reviews shall take place in accordance with guidelines established by the
24 Office of State Budget and Management. The reviews may occur both during unannounced
25 inspections of State facilities and through regular performance reviews with agency heads.

26 (c) The reviews of departments and programs shall include unannounced on-site
27 inspections conducted by the Governor and by staff of the Office of State Budget and
28 Management or the Governor's Policy Office. At the inspection, an agency shall be prepared to
29 brief the Governor and staff on its implementation of and compliance with this Chapter and its
30 progress toward its measurable goals and priorities.

31 **"§ 143E-6. Scope of Chapter.**

32 This Chapter does not apply to the Administrative Office of the Courts, or any department
33 whose head is a member of the Council of State; however, those departments and State
34 agencies are encouraged to participate in the provisions of this Chapter."

35 **SECTION 2.** This act is effective when it becomes law.