

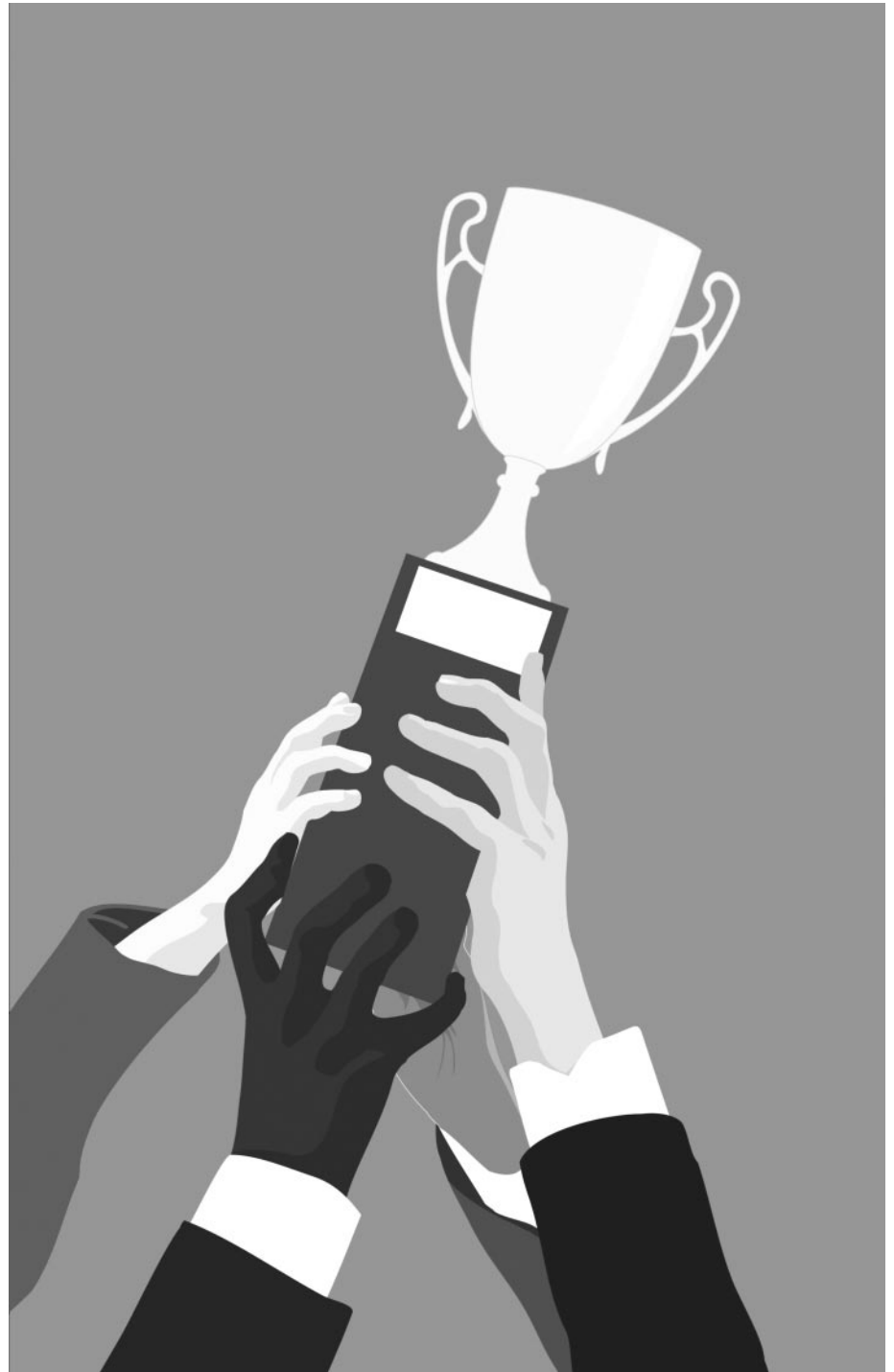
Rewarding Greater Accountability with Increased Managerial Flexibility in Davidson County

William C. Rivenbark and David N. Ammons

Full accountability in government is more than financial accountability alone. Although a clean financial audit reassures a government that it has handled revenues appropriately, accounted properly, and spent or invested lawfully, the audit does not address other aspects of full accountability. To be fully accountable, a government must reassure its citizens that it has handled, appropriated, and used public resources wisely in the efficient delivery of effective services.¹ Full accountability is both financial and operational in scope. Financial statements tell part of the story. Good performance measures for major services tell the rest.

Local governments in North Carolina increasingly have supplemented financial reporting and independent financial audits with systematic performance reporting. Several North Carolina municipalities have tracked and reported departmental performance for decades and have been among the pioneers in the performance measurement movement nationally. Some—notably Chapel Hill, Raleigh, and Winston-Salem—have produced annual or quarterly performance reports for management, the city council, and the public, tabulating the quantity, the quality, and the efficiency of departmental services. Since 1995, forty municipalities and counties have participated in various phases of the North Carolina Benchmarking Project, designed to provide accurate, comparative measures to

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help participating governments assess and improve services.² Charlotte has been cited as a public-sector model of the “balanced scorecard” approach to accountability and performance improvement.³

Some North Carolina local governments are receiving attention for innovative strategies that link good management and sound methods of accountability to rewards of one type or another. This article focuses on the system in Davidson County, which rewards documented success at service delivery with enhanced managerial flexibility.

Payoff for Positive Results

Local governments often measure and report performance. Some have worked hard to develop meaningful measures that might influence managerial and policy decisions in helpful ways. Typically these municipalities and counties track not only the quantity of services provided by a given department or program but also the quality and the efficiency of services.⁴

Other local governments take a minimalist approach. They choose the simplest measures to collect and rarely venture beyond raw counts of workload—reporting, for example, the number of fire alarms, arrests, and permit applications.

Municipalities and counties in the first group are much more likely than those in the second group to seek ways to tie meaningful performance measurement to the important decision-making systems of their organizations. They are more likely, for example, to use their measures in strategic planning, budget deliberations, and performance reviews.

Proponents of the recent movement to “reinvent” government by making it more responsive, efficient, results oriented, and entrepreneurial extol the importance of attaching rewards or penalties to the positive or negative results achieved by a government program or department. Dubbed the “consequences strategy,” this approach rewards successes and penalizes shortcomings—or at least does not reward them—as a method of encouraging innovation and the enthusiastic pursuit of the organization’s objectives.⁵ Consequences raise the stakes and make performance

Performance Information for Social Services’ Adoptions Program, Davidson County

Mission

Provide safe, permanent homes for children in the custody of the Davidson County Department of Social Services

Service-Delivery Goals

Provide timely and high-quality services to adoptive children and families

Manage the number of permanent plans for children who have been in custody for 12 months in an efficient and effective manner.

Increase the number of adoptions

Quantifiable Objectives

Complete 95 percent of home studies for applicants expressing desire to adopt available children within 90 days of request

Complete 95 percent of adoption profiles for children available for adoption within 30 days of origination

Increase the number of adoptions by 40 percent

Performance Measures

Number of home studies (output)

Number of adoption profiles (output)

Number of adoptions (output)

Cost per adoption (efficiency)

Percentage of home studies completed within 90 days (outcome)

Percentage of profiles completed within 30 days (outcome)

Percentage increase in number of adoptions (outcome)

Suggested Readings

Popular Government Articles

David N. Ammons, *Raising the Performance Bar . . . Locally*, Spring 1998, at 29.

Paula K. Few & A. John Vogt, *Measuring the Performance of Local Governments*, Winter 1997, at 41.

Ingrid K. Flory, *Measuring the Performance of Emergency Homeless Shelters*, Fall 2001, at 2.

Lee M. Mandell, *The Use of Management Tools in North Carolina Local Government*, Fall 1991, at 13.

William C. Rivenbark, *Defining Performance Budgeting for Local Government*, Winter 2004, at 27.

William C. Rivenbark & Carla M. Pizzarella, *Ensuring the Integrity of Crucial Data*, Winter 2002, at 28.

Books

David N. AMMONS, *MUNICIPAL BENCHMARKS* (2d ed., Thousand Oaks, Cal.: Sage Publications, 2001).

MICHAEL BARZELAY, *BREAKING THROUGH BUREAUCRACY: A NEW VISION FOR MANAGING IN GOVERNMENT* (Berkeley: University of Cal. Press, 1992).

HARRY P. HATRY, *PERFORMANCE MEASUREMENT* (Washington, D.C.: Urban Inst. Press, 1999).

HARRY P. HATRY ET AL., *HOW EFFECTIVE ARE YOUR COMMUNITY SERVICES? PROCEDURES FOR MEASURING THEIR QUALITY* (2d ed., Washington, D.C.: Urban Inst., 1992).

JANET M. KELLY & WILLIAM C. RIVENBARK, *PERFORMANCE BUDGETING FOR STATE AND LOCAL GOVERNMENT* (Armonk, N.Y.: M. E. Sharpe, 2003).

measurement and performance itself more important to operating officials and employees, say the reinventers.

Many North Carolina local governments have adopted a consequences strategy from time to time. Perhaps the most common form is when a municipality or a county decides to privatize a program that is not performing to expectations, or to expand the scope of operations of one that is performing well. Such applications of the consequences strategy, however, tend to be ad hoc rather than systematic. Examples of more systematic application of the consequences strategy may be found in Charlotte, High Point, Catawba County, and, most recently, Davidson County.

Charlotte and High Point

Charlotte has engaged in “managed competition” in many areas of municipal operation, pitting public employees against outside vendors in bidding com-

petition designed to assure local taxpayers that they are getting competitive services at competitive prices, whether produced by public or private employees. In a variation of managed competition, High Point enlisted the services of a consultant to identify the market price for selected services, and then it challenged municipal producers to match that price and thereby head off privatization.

In both Charlotte and High Point, the consequences have been made clear. On the positive side, departments demonstrating that they can produce quality services at better prices than their competitors, can continue to produce those services. Furthermore, through a system of “gainsharing,” these department can retain a portion of any savings that they generate and perhaps provide employee bonuses. On the negative side, the consequence of failure to produce a plan for competitive services and costs is the privatization of those services. The com-

petition and gainsharing plans in Charlotte and High Point will be described in detail in a future issue of *Popular Government*.

Catawba County

A different version of the consequences strategy has been at work in Catawba County since 1993. This version rewards effective, accountable departments and managers with increased managerial flexibility.

The rationale is simple. Most rules and regulations for government operations—commonly known as red tape—are designed not only to thwart abuse but also to ensure compliance with standard procedures that are assumed to lead to acceptable services and reasonable program results. But if an innovative manager with a productive department can document superior results when freed from some of these regulations, is it necessary to insist that the department toe

Excerpts from Davidson County’s Performance Scorecard

Job Training and Employment Center

PERFORMANCE MEASURES	GOALS
Workload	
391 adults and dislocated workers sponsored by WIA services/training	
172 youth served	
16,129 customers assisted by JTEC staff in JobLink Centers (job search, resume development, career guidance, labor market information, etc.)	
22% increase in the number of customers served	15%
Efficiency	
\$50.80 cost per individual served through WIA sponsorship and center services	
Effectiveness	
64% of adults employed at time of exit	79%
91% of dislocated workers employed at time of exit	81%
73% of adults and dislocated workers successfully completed their course of training	75%

WIA = Workforce Investment Act.

Comments from Pat Everhart, Director, Job Training and Employment Center

The [performance-based budgeting] process has caused our department to experiment with service strategies and processes to help increase program effectiveness and service quality. In addition, we experienced the following advantages in being involved in the performance-based budgeting process:

- [Goals]—Created a higher focus on departmental goals that are both challenging and realistic, and assessed whether we are establishing the correct goals.
- Personnel flexibility—Throughout the performance-based budgeting project, the county manager and budget officer have been extremely supportive and open-minded on a number of issues. This positive support has enhanced our department’s interest. This past year we were able to be more responsive to personnel hiring needs than in the past . . .
- Staff incentives—We are very excited about having the opportunity to provide performance incentives to staff to reward good performance. These incentives and the above flexibilities provide tangible reasons for staff to become more engaged in a process that may be viewed as an extra layer of work.

the line of standard procedures for mundane matters? Would it not be wiser to encourage innovativeness and a results orientation by rewarding high achievers with expanded managerial flexibility?

In 1993, as Catawba County began preparing the upcoming budget, it embarked cautiously but surely on a path to operational accountability. No department was forced to participate, but six departments volunteered, on learning that more managerial flexibility would accompany greater accountability.

The volunteering departments submitted outcome statements during budget preparation, describing what they in-

tended to accomplish and what performance levels they expected to achieve during the upcoming fiscal year. In return, these departments were given operating flexibility, allowing them to

move funds as needed to meet service demands; to create, eliminate, split, or reassign positions within their allocated budgets; and, within specified limits, to carry over unspent funds to the following fiscal year for capital investment.⁶

Over the years the participating

Catawba County departments have used their operating flexibility in a variety of beneficial ways. For example,

the personnel department used carry-over funds to develop workshops on customer service and supervision and to establish the Catawba County Employee Health Clinic.

The library used such funds for a new elevator and a renovated entrance and circulation desk in the main library. It also increased its technological capabilities and expanded services throughout the county.

Cooperative extension used carryover funds to purchase a fifteen-passenger van to support its 4-H Summer Fun Program. Further, it obtained a matching state grant to establish its Life Skills Substance Abuse Prevention Program in collaboration with the Catawba County Schools.

The department of social services used \$1 million in carryover funds to renovate its existing facility and to help construct a new building. This additional space allowed the department to expand its level

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Emergency Communications

PERFORMANCE MEASURES

GOALS

Workload

15,440 EMD calls in 2002–2003
 241,535 total number of calls entered in the CAD System
 510 EMD calls selected at random for audit
 3.28% of EMD calls audited
 15,440 radio transmissions
 471 radio transmissions audited

Effectiveness

22 out of 24 EMD telecommunicators scored 96% or above on their EMD audit	24
97% overall score for all audited EMD calls	98%
96.30% average accuracy rate for relaying location and patient information to responding units	96%
3 minutes, 12 seconds, average dispatch time	3 minutes
4 substantiated complaints for 2002–2003—1 per 60,384 calls	1 per 23,000

EMD = emergency medical dispatch. CAD = computer-aided dispatch.

Comments from Lisa Martin, Director, Emergency Communications

Being a part of the Performance Management Project has allowed the Communications Department to look at doing things differently and [to] manage staff and funds in a more effective manner. We reallocated two telecommunicator positions to create the communications training officer position . . . We are fully staffed for the first time in three years.

We were able to move money toward the end of fiscal year 02–03 into capital outlay to fund new chairs and a security system. We have been trying to get a security system in the budget for several years.

I think the greatest benefit of this form of management is the ability to get staff involved and allow them “ownership” of the department and what happens within the department. They have been able to set goals and work toward those [goals] and see the benefits of meeting those goals . . .

I have established a Project Management Committee that will help set the goals and convey those goals to all fellow telecommunicators to assure that they understand the importance of meeting those goals and motivate those that may need help. They will also help to determine what our department wishes to do with our savings and banked funds.

of services in child welfare, adult services, and income maintenance. Through carryover funds and position reassignment, it created additional positions for each service area. For example, child welfare created four new positions for therapeutic foster care and four new positions for child abuse prevention.

Davidson County

A presentation by the budget director of nearby Catawba County prompted the manager of Davidson County and the county board of commissioners to begin moving their government in a direction similar to Catawba County's. The visitor described the importance of tying the outcomes of service delivery to the annual budget process and the advantages of starting with a few departments and expanding from there.

Gradually the commissioners became more and more interested in focusing on

results and encouraging greater accountability, and they began to take steps to make that happen. In 2001, for instance, the board authorized the county manager to hire a budget director to assist in efforts to enhance the accountability of government operations and to manage the transition from budget control to budget flexibility.

Performance measurement was not altogether new to Davidson County. For years the county government had been collecting basic measures and reporting them in the budget. However, few of the measures offered insights on the efficiency or the quality of services, or the extent of progress toward important county objectives. Thus they had minimal

impact on important management systems. They were what critics label "budget decorations."

Specifying at least one quantifiable objective for each service-delivery goal often is the most difficult and time-consuming step in the effort to articulate goals, objectives, and performance measures.

Some performance measurement and accountability systems are undertaken largely at the initiative of management personnel, requiring little in the way of directives or explicit authorization from the governing body. Davidson County's case was different.

Because the county was developing a system on the Catawba County model that would require board approval of key operating objectives for participating departments and board authorization of budgetary and managerial flexibility, board involvement was needed from the outset.

Tax Department	
PERFORMANCE MEASURES	GOALS
Workload	
2,673 tax bills per 1,000 parcels	
937 registered motor vehicles per 1,000 tax bills	
14.46 releases written per 1,000 tax bills	15
Efficiency	
3.32%—cost of tax administration as a percentage of total revenue	
7,184 tax bills generated per full-time equivalent position	
6.7 delinquent calls per day per collection clerk	
Effectiveness	
96.4% annual collection percentage	97%
3.61% delinquent taxes collected as a percentage of total billed	2%
75.16% of motor vehicle taxes collected prior to delinquency	70%
Comments from Joe Silver, Tax Administrator	
[O]ne of my objectives was to reduce the amount of releases written on tax bills. These releases are written to correct errors in assessment and billing . . . When a release is written, many times a discovery has to also be written. This is double work for my staff. I met with my supervisory staff and related to them that we must take control of our records and make sure our records are correct before billing . . . We are now at the beginning of our second year of performance-based budgeting, and I'm happy to report that we are already showing a 53% reduction in the number of releases written . . .	
Another great asset of performance-based budgeting is the ability to move monies within specific line items. A case in point was my need for temporary help. I had one of my key people die suddenly from a heart attack. During the same period, I had two people out on FMLA for medical reasons. Finally, another key employee retired. This left me extremely short-handed in staff. Due to being under performance-based budgeting, I was able to transfer monies from regular salaries to part-time salaries, hire the temporary staff I needed, and get the job done.	
FMLA = Family Medical Leave Act.	

With authorization from the board, the county manager sought out department heads interested in involving their departments in the new management initiative. Seven departments volunteered: cooperative extension, emergency communication, finance (accounts payable and cash receipts), job training and employment, purchasing (purchasing, printing, and mail services), social services (administrative support, adoptions, and child support), and tax administration.

Many local governments embark on performance measurement initiatives without the benefit of systematic training.⁷ Davidson County, however, contracted with the Institute of Government to provide training in establishing mission statements, service-delivery goals, quantifiable objectives, and performance measures (output, outcome, and efficiency). The Institute's involvement also included continuing evaluation of and feedback on the materials produced by

the departments. The training and the feedback pushed Davidson County officials to focus on results-oriented objectives rather than process-oriented ones and on measures of outcome and efficiency rather than measures of output or workload. (Helpful references on performance measurement appear in the Notes and in the sidebar on page 13.)

For abbreviated performance information produced by the department of social services' adoptions program, see the sidebar on page 13. It begins with a mission statement, which declares the fundamental purposes of the program.

Service-delivery goals flow from the mission statement. They identify more clearly the principal work of the unit.

Specifying at least one quantifiable objective for each service-delivery goal often is the most difficult and time-consuming step in the effort to articulate goals, objectives, and performance measures. This step forces program

managers to focus on the desired outcomes of service delivery, not simply its outputs. For example, the goal of providing timely and high-quality services to adoptive children and families is converted to the more precise and quantifiable objective of completing at least "95 percent of home studies for applicants expressing desire to adopt available children within 90 days of request." An objective of this type is called an "intermediate outcome." An ultimate outcome for the program overall would be the successful placement of a high percentage of adoptable children. Such objectives allow the program to track its quality and effectiveness.

When objectives are precise and measurable, the development of related performance measures can be rather simple. For instance, for the objective just quoted, an output measure is the number of home studies, and an outcome measure is the percentage of home

Purchasing Department

PERFORMANCE MEASURES

GOALS

Workload

18,446 paper transactions under \$150
 26,221 paper transactions under \$500
 16 departments with procurement cards
 1,821 purchase orders processed
 12,672 miles driven by the courier
 84 hours to complete numbering jobs
 36 hours to complete binding machine jobs

Efficiency

36 hours saved due to new equipment
 9 hours saved due to new equipment
 954 courier trip miles reduced annually

Effectiveness

61.53% of departments with procurement cards	100%
14% reduction in number of transactions under \$150	- 10%
31% increase in number of transactions under \$500	- 10%
13% reduction in the number of purchase orders processed	- 10%
7.5% reduction in courier mileage annually	- 10%
43% labor savings in numbering jobs	30%
25% labor savings in binding machine jobs	10%

Comments from Dwayne Childress, Purchasing Director

[T]he best thing about performance-based budgeting is the increased flexibility with which funds are moved from account to account.

The second best thing would be the streamlining process, in which funds are moved, making a department head more responsive to acute needs within the department. In fact, some of these issues may be addressed or even resolved before they become major issues spilling over into other departments.

studies completed within ninety days. A relevant efficiency measure, not included in the sidebar, would be the cost per home study.

Accountability and Managerial Flexibility

The pilot departments in Davidson County's experiment with performance management completed the development of their goals, objectives, and measures in spring 2002, allowing the programs to track both financial and performance data for the 2002–03 fiscal year. The departments committed not only to tracking performance but to improving it. They established ambitious but realistic performance targets. In return, the county manager, with the county commissioners' authorization, agreed to allow the managers of the pilot units greater managerial flexibility and discretion. Key elements of flexibility included the following:

- Program managers could shift budget amounts within the line items of the personnel, operating, and capital categories of a given program.
- Managers could transfer as much as \$20,000 from the personnel and operating categories to the capital category.
- At its discretion the department could use available funds in the personnel category to hire part-time and temporary employees.
- Also at its discretion, the department could fill vacant positions without filing for additional authorization.
- Managers could reclassify positions as long as the reclassifications did not increase the total number of approved positions and did not create a current or recurring liability.
- Programs could carry over the savings, within prescribed limits, from one fiscal year to the next.

Each of these elements of managerial discretion increased the operational flexibility of department heads and enhanced their ability to manage departmental resources during the fiscal year. This expanded discretion was granted in exchange for the department's commit-

ment to greater accountability and improved performance.

In Davidson County's version of the consequences strategy, the county offers managers who achieve performance objectives and remain within their overall budget the consequence of greater managerial flexibility. If managers need to shift funds within a category or use available funds to hire part-time employees, they may do so. If they can save money during the budget year and want to use the savings for capital items that will enhance their programs in the future, they are allowed, even encouraged, to do so.

Personnel expenses form a major category of most program budgets in local government. Service delivery in the public sector tends to be labor-intensive, requiring substantial resources for wages and benefits. Employee positions are authorized and resources are appropriated on an annual basis through the operating budget.

However, program managers often could benefit from personnel adjustments during the fiscal year based on changing internal and external conditions. Participating department managers in Davidson County are granted this flexibility in the form of departmental authority to hire people for part-time and temporary positions with available resources without additional approval; to fill vacant approved positions without the normally required justification letter; and to reclassify positions as long as reclassification does not increase the total number of approved positions or create an additional financial liability for the county. An example of position reclassification within this guideline would be the upgrading of one position and the simultaneous downgrading or elimination of another.

Davidson County officials have tied their performance measures to other major management systems to form an overall performance management system. The documentation of financial stew-

ardship and the documented achievement of desired operating results have been tied directly to the budget and personnel systems for participating departments. Accountability for results has yielded new ground rules for the

budget system (e.g., line-item transfers and authorized expenditures from end-of-the-year savings) and the personnel system (e.g., hiring and reclassification authorization).

Carryover of Savings to the Next Fiscal Year

The public sector often is criticized for creating an environment that encourages programs to spend every authorized dollar, even if savings are possible.

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Frugal departments do not benefit from their savings and may actually be penalized by budget reductions in subsequent years. Davidson County has altered this environment, encouraging efficiency and frugality by allowing programs to carry over budget savings to the following fiscal year. The carry-over funds may be used for capital investments and employee bonuses.

Under the Davidson County system, each participating department may "bank" as much as 8 percent of its total budget each fiscal year. All budget savings from the participating departments are pooled after the annual financial audit is completed. The ability of a given department to access these funds is linked directly to its achievement of outcome targets, which are weighted according to relative importance. Departments can access 60 percent of their savings with 70–79 percent outcome achievement, 80 percent with 80–89 percent outcome achievement, and 100 percent with outcome achievement of 90 percent or greater.⁸

Larger departments often are able to produce greater budget savings than smaller departments, given their larger budgets and the greater likelihood of at least some employee turnover, creating the opportunity for salary savings. In recognition of this difference, Davidson

County allows small, high-achieving departments to access unclaimed savings generated by larger departments that fall short of their outcome targets. This arrangement provides an additional incentive for smaller, support-service departments to assist larger line departments in achieving cost-effective service delivery. The savings of these larger units boost the resources potentially available to smaller units.

Performance Scorecard

The budget director is responsible for preparing an annual performance scorecard for the county commissioners and the citizens of Davidson County. (For an abbreviated version of the performance scorecard, see the sidebar beginning on page 14.) It contains the actual results for each participating program, showing outputs (workload), efficiency, and outcomes (effectiveness). Performance targets are displayed in the goals column. The performance measures are supplemented by explanatory

information written by department heads. This information allows managers to provide the necessary context for interpreting the measures by describing relevant environmental factors and explaining performance variances.

Performance Budgeting

Davidson County's approach to linking service-delivery results to the budgets of participating departments addresses a recurring problem in performance budgeting.⁹ Wary program managers often regard performance budgeting suspiciously, as a way for senior management and elected officials to justify budget reductions. Davidson County countered this anxiety by encouraging program officials to identify key objectives themselves, rather than having legislators or senior executives impose the objectives, and by using performance measurement as an avenue to something that program officials viewed positively: managerial flexibility and discretionary resources.

Conclusion

Davidson County is expanding its performance management system to other departments as program officials become more interested in the expanded flexibility that comes with greater accountability and managerial success. This allows the initiative to grow on a voluntary rather than a mandatory basis, drawing new participants as they become convinced of its value.

Davidson County's approach to the expansion of performance measurement differed from the norm. It is common for performance initiatives to begin with a directive from the budget office that programs now must collect and report performance measures. It also is common for performance measurement to have no truly meaningful link to the budget process. In Davidson County, serious performance measurement began with a few committed programs, adequate training, and a clear and meaningful link to the budget process and resource availability.

Catawba and Davidson counties offer their departments a reward for accountability and achievement. The results in Catawba County have demon-

strated the program's viability over an extended period. The experience in Davidson County is more limited, but it appears to be promising.

Notes

1. GOVERNMENTAL ACCOUNTING STANDARDS BOARD, *SERVICE EFFORTS AND ACCOMPLISHMENTS REPORTING* (Norwalk, Conn.: GASB, 1994); Nancy S. Hayward, *The Productivity Challenge*, 36 *PUBLIC ADMINISTRATION REVIEW* 544 (1976).

2. For more information on the North Carolina Benchmarking Project, go to www.sog.unc.edu/programs/perfmeas.

3. The "balanced scorecard" is an approach to measurement that provides balance between "short- and long-term objectives, between financial and non-financial measures, between lagging and leading indicators, and between external and internal performance perspectives." See ROBERT S. KAPLAN & DAVID P. NORTON, *THE BALANCED SCORECARD*, at viii (Boston, Mass.: Harvard Bus. Sch. Press, 1996).

4. David N. Ammons, *Performance Measurement in North Carolina Cities and Towns*, *POPULAR GOVERNMENT*, Fall 2001, at 11.

5. DAVID OSBORNE & PETER PLASTRIK, *BANISHING BUREAUCRACY: THE FIVE STRATEGIES FOR REINVENTING GOVERNMENT* (Reading, Mass.: Addison-Wesley, 1997); DAVID OSBORNE & TED GAEBLER, *REINVENTING GOVERNMENT* (Reading, Mass.: Addison-Wesley, 1992).

6. Judy Ikerd, *Case Study: Catawba County Redesigns Its Budget System*, *PUBLIC MANAGEMENT*, Sept. 1994, at 22.

7. William C. Rivenbark & Janet M. Kelly, *Management Innovation in Smaller Municipal Government*, *STATE AND LOCAL GOVERNMENT REVIEW*, Fall 2003, at 196.

8. Access to budget savings occurs in the following fiscal year. After the annual financial audit is completed, the budget director works directly with the department heads on determining the amount of budget savings that each participating department can access. A budget amendment is then presented to the county commissioners for approval, representing the total allocated amount from budget savings for all participating departments. Directors must obtain approval from the county manager for how the additional funds will be spent, representing either capital investments or employee bonuses.

9. "Performance budgeting" is a process of budget preparation and adoption that emphasizes performance management, allowing allocation decisions to be informed by service-delivery statistics. See JANET M. KELLY & WILLIAM C. RIVENBARK, *PERFORMANCE BUDGETING FOR STATE AND LOCAL GOVERNMENT* (Armonk, N.Y.: M. E. Sharpe, 2003).

