



**COUNTY GOVERNMENT SURVEY
MANAGING FOR RESULTS SECTION**

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PLEASE REFER QUESTIONS TO:

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MANAGING FOR RESULTS

This section is designed to measure the extent to which your county engages in substantive strategic planning and performance measurement. This includes the systematic creation of strategic goals which link to programs; the systematic use of measures to track performance, support management improvements, and inform resource allocation decisions; and the communication of goals and progress.

BACKGROUND TO THE GOVERNMENT PERFORMANCE PROJECT

Since 1996, under the auspices of The Pew Charitable Trusts, the Maxwell School of Citizenship & Public Affairs at Syracuse University, in partnership with *Governing* magazine, has rated the management performance of local and state governments and selected federal agencies in the United States. The project, called the Government Performance Project (GPP), is administered by the Maxwell School's Alan K. Campbell Public Affairs Institute.

The project aims to improve the understanding and practice of government management throughout the United States on the city, county, state, and federal levels. It evaluates the effectiveness of management systems by considering government performance in five categories: financial management, human resource management, information technology, capital management, and managing for results. Each category is addressed by a separate section in this survey. For each category, governments are evaluated based on this survey, interviews, and an analysis of published documents.

While the project highlights overall management capacity, it focuses on the role of leadership, the integration of the five categories, as well as the communication of government performance issues to the citizenry.

In 1998 the project studied and rated government performance of the 50 states and 15 federal agencies. The results were published in the February 1999 issues of *Governing* and *Government Executive*. The results were also widely reported by leading print, radio, and television media.

In 1999 the project evaluated government performance in the top 35 U.S. cities by revenue and of five federal agencies. These results were published in the February 2000 issue of *Governing* and the March 2000 issue of *Government Executive*.

In 2000 the GPP reevaluated the 50 states and the results were published in the February 2001 issue of *Governing*. This year the GPP will evaluate 40 county governments.

The Maxwell School will add the data collected to its clearinghouse of information and continue to expand this resource of government management practices. Ultimately, government entities will have the opportunity to learn from one another and exchange valuable information through the efforts of this project.

GPP CONTACT PERSON

For more information on the GPP, please visit our website at: www.maxwell.syr.edu/gpp. If you have any questions regarding this survey or the GPP in general, please direct your inquiries to Anthony Stacy, at gpp@maxwell.syr.edu or 315-443-9707.

MANAGING FOR RESULTS EVALUATION CRITERIA:

1. Government engages in results-oriented strategic planning.
 - Strategic objectives are identified and provide a clear purpose.
 - Government leadership effectively communicates the strategic objectives to all employees.
 - Government plans are responsive to input from citizens and other stakeholders, including employees.
 - Department plans are coordinated with central government plans.
2. Government develops indicators and evaluative data that can measure progress toward results and accomplishments.
 - Government can ensure that data is valid and accurate.
3. Leaders and managers use results data for policymaking, management, and evaluation of progress.
4. Government clearly communicates the results of its activities to stakeholders.

DEFINITIONS OF TERMS USED IN THIS SURVEY:

Citizen advisory groups: A committee of citizens that has been organized specifically for the purpose of providing input into the strategic planning process

Department: Any administrative subdivision or unit of government (also in some cases called a board, bureau, commission, department, etc.) having the primary purpose of executing some governmental functions or laws

Needs assessment: The identification or evaluation of priorities or resource and service deficiencies within specific programs or service populations

Outcome measure: A measurement of the end results of government action (for example, the improvement of standardized test scores or an improvement in air quality). Outcomes are frequently not fully controlled by government managers.

Output measure: A measurement of the activities or work performed by a government unit (for example, the number of days of instruction or the number of citations issued for air pollution). Outputs are typically under the control of government managers.

Performance audit: The use of auditing techniques to validate a performance measurement system and improve overall performance practices. Performance audit activities include the verification of reported performance data; analyses of work processes with the intention of making them more effective; an analysis of the level of implementation of preset performance goals and targets; and analyses of the quality of planning documents, including choice of goals and measures.

Performance report: A document that represents performance achievements through the reporting of performance data

Strategic plan: An effort to summarize what an organization does and why it does and includes future goals. Strategic plans may exist at a government-wide level, at a department level, or a sub-department level.

INSTRUCTIONS FOR COMPLETING THE SURVEY ELECTRONICALLY:

This document is a Microsoft Word form. A form is a structured document with spaces reserved for entering information. This survey, containing check-boxes and fill-ins, can be viewed and completed in Word.

- *To check a box:* Use your mouse to move the arrow over the box you want to check and click once. To uncheck the box, click again.
- *To enter text in a fill-in box:* Move your mouse over the gray box. The arrow will change to a cursor. Click once to highlight the box. Begin typing. All fill-ins have unlimited capacity.

To enable electronic completion, the file has been password protected. Text can only be written in fill-in boxes. To provide comments on a question, include a separate page of comments with reference to the question number.

If you encounter difficulties completing the survey electronically, you may contact the project manager at (315) 443-9707 for troubleshooting assistance. The document can also be printed and filled in manually.

PLEASE SUBMIT THE FOLLOWING DOCUMENTS AND INFORMATION WITH THE SURVEY:

(Note: If these materials are available online, you may simply identify the URL at which they may be found.)

- The most recent countywide strategic plan (A)

(A) The Maricopa County strategic plan is available via www.maricopa.gov under the "Information Resources" Services listing. The link text is "County Mission, Strategic Priorities, Stewardship". See also Attachment MFR-Document/Information Requested (A)-1 for a CD containing the most recent Maricopa County strategic plan and MFR-Document/Information Requested (A)-2 for printed materials.

- Examples of department strategic plans (If available for your county, please send plans for education, health, highways, and corrections.) (B)

(B) Every department's strategic plan is available via www.maricopa.gov under the "Information Resources" Services listing. The link text is "Managing for Results-Strategic Plans & Perf. Info". See also Attachment MFR-Document/Information Requested (A)-1 for a CD containing all department strategic plans and MFR-Document/Information Requested (A)-2 for printed copies of each department plan.

- Statutes that require managing for results or performance management initiatives (for example, requirements for performance measurement reports) (C)

(C) In addition to Maricopa County Policies B6001, B1001 and B1006 that address managing for results requirements (Attachments MFR-Document/Information Requested (C)-1, 2 and 3), many individual County departments are statutorily required to manage for results, such as:

A number of departments receive federal grant funding for a variety of programs. The Government Performance and Results Act that requires results driven outcome reports applicable to these programs is included as Attachment MFR-Document/Information Requested (C)-4.

Adult Probation -- A.R.S. 13-901.02 – Drug Treatment and Education Fund: cost savings tied to jail/prison diversions (Attachment MFR-Document/Information Requested (C)-5).

Community Development -- HUD requires CDBG and HOME Program participating jurisdictions to submit a five-year Consolidated Plan (CP) and a Comprehensive Annual Performance Evaluation Report (CAPER).

Environmental Services -- Clean Air Act Title 1 Air Pollution Prevention and Control (addresses nonattainment area requirements), Title III General, Title IV Acid Deposition Control, and Title V Permits. Associated Code of Federal Regulations for these Titles include 40 C.F.R. Part 50, 51, 52, 53, 58, 60, 61, 63, 70, 75.

A.R.S. 36-136 allows the department to recover the costs of issuing permits and providing services to individuals by the collection of fees. It mandates that the services and activities of the department be accounted and that costs be allocated accordingly (Attachment MFR-Document/Information Requested (C)-6).

A.R.S. 49-474.03 sets specific requirements for reporting of the Voluntary Vehicle Repair and Retrofit (VVR&R) Program, including number of vehicles repaired by model year, cost-effectiveness, and tons of vehicle emissions reduced (Attachment MFR-Document/Information Requested (C)-7).

Housing -- The Maricopa County Housing Department is funded completely by HUD which has established performance standards and reporting requirements within their rules and regulations.

Human Services -- (Workforce Development Program) The Workforce Investment Act of 1998, Title 1B, Public Law 105-220 requires performance standards for adult, youth, and dislocated worker employment and training programs. In addition, the Act requires customer satisfaction performance measures and continuous improvement initiatives (Attachment MFR-Document/Information Requested (C)-8).

(Weatherization Assistance for Low-Income Persons) Energy Conservation and Production Act, Title IV, Part A, Public Law 94-385, 42 U.S.C. 6851-6872; National Energy Conservation Policy Act of 1978, Title II, Part 2, Public Law 95-619, 92 Stat. 3206; Energy Security Act of 1980, Title V, Subtitle E, Public Law 96-294; Human Services Reauthorization Act of 1984, Public Law 98-558, 98 Stat. 2888; State Energy Efficiency Programs Improvement Act of 1990, Public Law 101-440.

(Emergency Food and Shelter National Board Program) Stewart B. McKinney Homeless Assistance Act of 1987, as amended, Title III, Sections 301-316, Public Law 100-77, as amended.

(Low-Income Home Energy Assistance) Community Opportunities, Accountability and Training and Educational Services Act of 1998 (Coats Human Services Reauthorization Act of 1998), Title III, Sections 301-309.

(Community Services Block Grant) Community Opportunities Accountability and Training and Educational Services Act of 1998, Title II, Section 201 and Sections 671-679; Public Laws 97-35 and 103-252.

(Social Services Block Grant) Social Security Act, Title XX, as amended; Omnibus Budget Reconciliation Act of 1981, as amended, Public Law 97-35; Jobs Training Bill, Public Law 98-8; Public Law 98-473; Medicaid and Medicare Patient and Program Act of 1987; Omnibus Budget Reconciliation Act of 1987, Public Law 100-203; Family Support Act of 1988, Public Law 100-485; Omnibus Budget Reconciliation Act of 1993, Public Law 103-66; 42 U.S.C. 1397 et seq.

(Temporary Assistance for Needy Families) Social Security Act, Title IV, Part A, as amended; Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193; Balanced Budget Act of 1997, Public Law 105-33.

(Head Start) Community Opportunities, Accountability, and Training and Educational Services Act of 1998, Title 1, Sections 101-119.

Maricopa County Department of Transportation (MCDOT) -- Federal air quality statutes for PM 10 (particulate matter) and CO (carbon monoxide) call for regular reports on measures MCDOT uses to reduce air pollution. These include not only road paving and dust suppression, but also intersection improvements and other congestion reducing measures. These reports are sent to the Environmental Services Department where they are compiled with reports from cities and towns, and the aggregate reported to EPA (Attachment MFR-Document/Information Requested (C)-9).

Maricopa Integrated Health System (MIHS) -- Joint Commission for the Accreditation of Healthcare Organizations (JCAHO) requires that performance management initiatives be in place for accredited hospitals. JCAHO accreditation status is required to be a Medicare and Arizona Healthcare Cost Containment System (AHCCCS) provider per federal and state rules, regulations and statutes (Attachment MFR-Document/Information Requested (C)-10).

Any documents or sources of information that show what performance measures your county uses **(D)**

(D) In addition to the Countywide and individual departmental strategic plans provided in Attachment MFR-Document/Information Requested (A)-1 and (A)-2, a variety of other documents delineate performance measures utilized within Maricopa County, including:

The Maricopa County Annual Business Strategies. To offer some insight on Maricopa County's rich history of reporting on performance measurement, we have included a copy of the FY 80/81 Annual Budget (Attachment MFR-Document/Information Requested (D)-1. The five most recent Annual Business Strategies publications (i.e., FY 96/97 through FY 00/01) are also included as Attachments MFR-Document/Information Requested (D)-2 through (D)-6. The

FY 99/00 and FY 00/01 Annual Business Strategies are also available at www.maricopa.gov/budget/budget_documents/default.asp.

The Maricopa County Financial and Personnel Resources Reports -- Quarterly reports for FY 00/01 are attached (Attachments MFR-Document/Information Requested (D)-7, 8 and 9). The annual reports for FY 99/00, FY 98/99, FY 97/98 and FY 96/97 are also included (Attachments MFR-Document/Information Requested (D)-10, 11, 12 and 13. Quarterly reports for FY 99/00 and FY 00/01 may also be accessed via www.maricopa.gov/budget/Management_Reports/default.asp.

Performance data is also available on-line at www.maricopa.gov under the "Information Resources" Services listing. The link text is "Managing for Results -Strategic Plans & Perf. Info".

Quarterly Performance Reports are available at www.maricopa.gov/qty_perf/default.asp.

A variety of other documents address performance measures utilized within Maricopa County, including:

Attachment MFR-Document/Information Requested (D)-14: Maricopa Integrated Health System Market Assessment Strategic Plan FY02

Attachment MFR-Document/Information Requested (D)-15: Internal Audit Department Fiscal Year 2000 Annual Report

Attachment MFR-Document/Information Requested (D)-16: Animal Care and Control Services Activity Reports

Attachment MFR-Document/Information Requested (D)-17: Maricopa County HOME Consortium Consolidated Annual Performance and Evaluation Report (CAPER); Community Development's Urban County Consolidated Plan; and Maricopa County HOME Consortium Consolidated Plan

Attachment MFR-Document/Information Requested (D)-18: Department of Medical Eligibility Monthly Report and Examples of Critical Indicators used by supervisors for daily management

Attachment MFR-Document/Information Requested (D)-19: Recorder's Office and Elections Department Workload Indicators

Attachment MFR-Document/Information Requested (D)-20: Environmental Services Monthly Workload Indicators; Complaints Received Report; and Environmental Health Division Productivity Report

Attachment MFR-Document/Information Requested (D)-21: Equipment Services NAFA Report -- "Benchmarking for Quality in Public Service Fleets". This

report is used to benchmark the downtime in the Maricopa County fleet (Reference: Page 4).

Attachment MFR-Document/Information Requested (D)-22: Human Services Performance Requirements for Workforce Investment Act (WIA) Programs; and Community Action Plan submitted to the Arizona Department of Economic Security.

Attachment MFR-Document/Information Requested (D)-23: Indigent Representation sample reports of key performance measures.

Attachment MFR-Document/Information Requested (D)-24: Maricopa County Department of Transportation FY 2000-2001 Budget and Business Plan; and Traffic Operations Annual Report 1999-2000.

Attachment MFR-Document/Information Requested (D)-25: Maricopa Integrated Health System (MIHS) Performance Improvement Initiatives and Performance Standards Reports.

Attachment MFR-Document/Information Requested (D)-26: Planning and Development One Stop Shop Efficiency Measures.

Attachment MFR-Document/Information Requested (D)-27: Public Fiduciary Monthly Performance Measures Report

Attachment MFR-Document/Information Requested (D)-28: The STAR Center Annual Report

Attachment MFR-Document/Information Requested (D)-29: Superior Court of Arizona in Maricopa County Judicial Performance Review and Statistical Reports.

Attachment MFR-Document/Information Requested (D)-30: Office of the Medical Examiner MFR Reports.

Attachment MFR-Document/Information Requested (D)-31: Adult Probation Summary of Performance Measures

Any reports the county provides to outside sources that provide information about the county's performance (E)

(E) All of the reports listed in "Section (D)" are provided and/or available to outside sources. Performance information is also available at www.maricopa.gov. In addition to the materials included in "Section (D)," we are including some representative samples of additional performance information provided to outside sources:

- Attachment MFR-Document/Information Requested (E)-1: Animal Care and Control Newsletter; past issues available online at www.pets.maricopa.gov**
- Attachment MFR-Document/Information Requested (E)-2: County Administrative Office - Justice System Coordination Monthly and Annual Performance Reports**
- Attachment MFR-Document/Information Requested (E)-3: Criminal Justice Facilities Development Jail Expansion Program Reports**
- Attachment MFR-Document/Information Requested (E)-4: Clerk of the Superior Court Annual Report**
- Attachment MFR-Document/Information Requested (E)-5: Community Development Annual Report**
- Attachment MFR-Document/Information Requested (E)-6: County Attorney Annual Report**
- Attachment MFR-Document/Information Requested (E)-7: Environmental Services Trip Reduction Program Annual Report; and Voluntary Vehicle Repair and Retrofit Program Report**
- Attachment MFR-Document/Information Requested (E)-8: Human Resources Annual Report**
- Attachment MFR-Document/Information Requested (E)-9: Office of the Legal Defender Annual Report**
- Attachment MFR-Document/Information Requested (E)-10: Maricopa County Department of Transportation Accomplishments and Five-Year Transportation Improvement Program**
- Attachment MFR-Document/Information Requested (E)-11: Public Health's Maternal & Child Health Needs Assessment 2000**
- Attachment MFR-Document/Information Requested (E)-12: Risk Management Annual Report**
- Attachment MFR-Document/Information Requested (E)-13: Treasurer Tax Bill stuffer; Annual Collection and Delinquency Report; WELCOME; and Treasury Notes**

☒ **Examples of citizen surveys (F)**

(F) Maricopa County utilizes a wide variety of citizen surveys. The Maricopa County Research and Reporting Department conducts a number of satisfaction surveys. Sample of these surveys are provided as Attachment MFR-Document/Information Requested (F)-1 through (F)-8 as follows:

(F)-1: Maricopa County Customer Satisfaction Survey General Population 2000; Customer Satisfaction Survey information is also available at www.maricopa.gov under the "Information Resources" Services listing. The link text is "Managing for Results-Strategic Plans & Perf. Info".

(F)-2: Maricopa Integrated Health System Customer Satisfaction Survey

(F)-3: 1999 Maricopa County Parks & Recreation Department Survey

(F)-4: Community Development Customer Satisfaction Survey Fiscal Year 1998-99

(F)-5: Maricopa County Animal Control Services Survey of Community Leaders

(F)-6: Long Term Care Client Satisfaction Survey – Home Base Programs February 2000

(F)-7: Long Term Care Client Satisfaction Survey – Nursing Home Clients February 2000

(F)-8: Maricopa County Long Term Care Plan Client Satisfaction Survey - 2000

In addition to the citizen/client surveys conducted by Research and Reporting, a variety of other citizen/constituent surveys are included as Attachment MFR-Document/Information Requested (F)-9 through (F)-24:

(F)-9: Adult Probation Victim Satisfaction Surveys

(F)-10: Animal Care and Control surveys to officials of cities and towns; and veterinarians

(F)-11: Clerk of the Superior Court Customer Surveys

(F)-12: Community Development's Internet Survey of the latest Urban County Comprehensive Plan

(F)-13: County Attorney Crime Victim Satisfaction Survey

(F)-14: Emergency Management Satisfaction Survey of cities/towns emergency managers

(F)-15: Environmental Services Customer Surveys

(F)-16: Human Services Workforce Development Surveys; Community Action Program Satisfaction Surveys; Low-Income Home Weatherization Satisfaction Surveys; Citizen Needs and Assessment Surveys; Community Services Division Customer Satisfaction Survey; Parent, Head Start staff, and Kindergarten Surveys

(F)-17: Maricopa County Department of Transportation Transportation Survey for 1999

(F)-18: Parks and Recreation Parks Visitor Study Final Report

(F)-19: Planning & Development Comprehensive Plan citizen survey; Citizen Satisfaction Survey 3/98-99

(F)-20: Public Fiduciary Quarterly Customer Surveys

(F)-21: Public Health Customer Satisfaction Survey instruments

(F)-22: Stadium District Surveys of Baseball Attendees; Elliot D. Pollack & Co. Study

(F)-23: Superior Court Citizen Survey

(F)-24: Treasurer's Office Customer Surveys

A list of web sites citizens can use to find performance and results information for your county (G)

Performance and results information is available at www.maricopa.gov. The public may access the "Information Resources" Services listing. The link text is "Managing for Results-Strategic Plans & Perf. Info".

Quarterly Performance Reports are available at www.maricopa.gov/qty_perf/default.asp

Annual Business Strategies and other budgeting documents are available at www.maricopa.gov/default.asp

Studies and reports prepared by the Internal Audit Department are available at www.maricopa.gov/internal_audit/default.asp

Via the www.maricopa.gov site, the public may navigate to individual department's or specific service sites that also include performance and results information.

- ☒ Copies of performance audits conducted by the county legislative body (board, council, or commission) or other internal or independent auditors (H)

(H) Reporting directly to the Maricopa County Board of Supervisors, the Internal Audit Department conducts numerous performance audits of County departments. The reports are included as Attachment MFR-Document/Information Requested (H)-1 through (H)-6:

(H)-1: Internal Audit Report Maricopa County Constables March 2001

(H)-2: Internal Audit Report Maricopa Medical Center Department of Pharmacy Services August 2000

(H)-3: Internal Audit Report Planning & Development Department July 2000

(H)-4: Maricopa County Internal Audit Department - Equipment Services Department March 2000

(H)-5: Maricopa County Internal Audit Department - Human Resources Payroll Application Audit Report June 2000

(H)-6: Maricopa County Internal Audit Department - Financial Condition Report Fiscal Year 1998-1999

**Additional audit information and reports are available at
www.maricopa.gov/internal_audit/reports.asp**

Several departments identified performance audits conducted by other independent auditors. These are included as Attachment MFR-Document/Information Requested (H)-7 through (H)-11:

(H)-7: Animal Care and Control DMG Cost of Services Study

(H)-8: Environmental Services -- Arizona Department of Environmental Quality Delegation Agreement Performance Evaluation Report; and Internal Audit Department Review of IGA with RPTA

(H)-9: Detailed Performance Audit of Maricopa County Department of Transportation (September 10, 1992)

(H)-10: Maricopa County Adult Probation Department's Operational Review (1998)

(H)-11: Clerk of the Superior Court - State of Arizona Office of the Auditor General Performance Audit of the Division of Child Support Enforcement

PLEASE ANSWER THE FOLLOWING QUESTIONS ABOUT MANAGING FOR RESULTS:

1. Does your county have a formal managing for results system?

No Yes

If so, please discuss how this system has changed in the past few years.

For at least 10 years, Maricopa County has had a formal strategic planning process at a Countywide level and within individual departments. Countywide strategic planning has been occurring every two years since 1991. In addition to the strategic planning process, a business plan has been completed on an annual basis since 1994. Included in the business plan are strategic and tactical approaches to achieving countywide goals, along with our long-range financial forecasts.

Individual departments have been responsible for completing departmental strategic plans for over 10 years. Departments have the responsibility for ensuring that their plans are accurate and updated as needed. Elements of departmental strategic plans were included in the annual budget document. In addition, performance indicators have been included annually in the budget process for over 20 years. Although strategic planning was occurring at the departmental level, full standardization and alignment was not achieved until recently.

Over the past several years, a Countywide initiative has been undertaken to standardize and integrate the planning, measurement, budgeting, reporting, and evaluation components of the Managing for Results system. The Managing for Results initiative has resulted in a more focused approach and all departments, elected officials, and the judicial branch have enthusiastically participated in this process. The write-up below indicates the level of commitment the County has made to this integrated initiative. It is graphically displayed in Attachment MFR-1-1.

Maricopa County Board of Supervisors adopted the "Managing for Results," "Budgeting for Results," and "Budgeting for Results -- Accountability" policies (see Attachments MFR-Document/Information Requested (C)-1, 2 and 3).

All elected officials and department directors received an overview and training on the key elements of Maricopa County's Managing for Results management system (Attachment MFR-1-2).

Each department identified a strategic planning coordinator to serve as the facilitator and focal point for departmental strategic planning. Strategic coordinators participated in rigorous training sessions to enable the facilitation of the strategic planning process. See Attachment MFR-1-3 for the training materials and Resource Guide. The Resource Guide is also available at www.maricopa.gov/budget/mfr/pfr/default.asp.

Central service departments -- Office of Management and Budget, Finance, Human Resources, Internal Audit, Information Technology, and Materials Management -- participated in specialized Managing for Results training. The training assisted these

departments in identifying and modifying Maricopa County business practices to align with Managing for Results principles.

Each department prepared a strategic plan utilizing the same processes and format. The compilation of each department's plan was conducted via a web-based application.

A four-phase corporate level review process was conducted:

1. Technical Review -- Using a uniform checklist, Office of Management and Budget (OMB) analysts conducted a review of each submission to ensure its completeness and that the most basic plan components were included. (See Attachment MFR-1-4 for the Technical Review Checklist.)
2. Structural Review -- Using standard criteria as set forth in the Managing for Results Resource Guide, OMB analysts performed in-depth reviews of each plan element; i.e., Issue Statements, Strategic Goals, Mission Statements, Programs, Activities, Services, Performance Measures. (See Attachment MFR-1-5 for the Structural Review Guidelines.)
3. Content Review -- Using a short list of criteria, OMB analysts reviewed each plan at a holistic level to determine if the Activities and Programs delineated would facilitate the department in reaching its strategic goals. The review yielded written questions and comments that provided the basis for discussion during the fourth phase. (See Attachment MFR-1-6 for the Content Review Criteria.)
4. Corporate Review Committee Meeting Phase -- A Strategic Plan Corporate Review Committee, comprised of the Deputy County Administrator, Budget Manager, Human Resources Director, Chief Financial Officer, a representative from the Internal Audit Department, and County business representatives from Court Agencies, Criminal Justice, Health, Community Services, Public Works, Administration, and specialized Elected Offices, met with each department to discuss each departmental plan. These departmental discussions also provided a forum for identifying issues requiring elevation to the Board of Supervisors in formulating the overall Maricopa County strategic direction. (See Attachment MFR-1-7 for the agenda utilized for each meeting.)

The Maricopa County Board of Supervisors set corporate strategic priorities. The Board's planning process began with a review of issues derived from the Corporate Review process which provided a broad scope of issues facing all lines of business in Maricopa County. A new mission statement was adopted and strategic priorities for the next two to five years were developed. (See Attachment MFR-1-8 for the Board's strategic planning materials.)

Managing for Results was front and center in the FY 01/02 budgeting process. The budget system provides financial and performance information to help decision makers make good business decisions that achieve results. Funding requests were evaluated based on the Board of Supervisor's strategic direction and focused on ensuring that requests aligned with the department's own strategic plan. (See Attachment MFR-1-9

for the "Budgeting for Results" section of the "Managing for Results" manual utilized by County departments in preparing and submitting their FY 2001-2002 budgets. This resource is also available at www.maricopa.gov/budget/mfr/BFR/default.asp.)

The financial cost accounting system, that parallels the Programs, Activities, and Services (PAS) delineated within each departmental strategic plan, is currently being finalized and will be operational July 1, 2001. Departmental training on the PAS cost accounting system is scheduled for the week of June 25, 2001.

All departments provide quarterly reports via the web-based application to apprise County leaders and the public of their progress in meeting their strategic goals and to provide performance measurement data.

The employee performance management system is designed to ensure direct alignment of each employee's job responsibilities and performance expectations to departmental strategic plans, strategic goals, and performance measures.

2. Please answer the following questions about strategic planning:

a. Does your county have a formal countywide strategic plan?

No Yes (If no, skip to question 3.)

b. If so, how long has a countywide plan been in place?

1 year or less
 2 to 3 years
 4 to 5 years
 6 to 9 years
 10 or more years

c. How often is the countywide plan revised?

Every year
 Every 2 years
 Every 3 to 5 years

- Every 6 to 10 years
- Less frequently than every 10 years

3. If your county does *not* have a formal strategic plan, does it have a set of formally established strategic goals?

- No Yes

If so, please describe how these goals are set and communicated.

Not applicable; Maricopa County has a strategic plan.

4. Please answer the following questions about strategic planning in county departments:

a. Do individual departments in your county have formal strategic plans?

- No Yes

b. Are these plans publicly available?

- No Yes

c. Do department plans have a common format?

- No Yes

d. Does a central county office provide guidance to departments in the preparation of their plans?

- No Yes (*If so, please identify this office:*

Office of Management and Budget (OMB). OMB staff served as facilitators for departments during their strategic planning sessions. Each OMB Analyst also provided guidance to assigned departments throughout the four-phase review process and identified issues requiring elevation to the Board of Supervisors for their strategic planning session in January 2001. Staff of OMB compiled and delineated these issues and coordinated the Board of Supervisors' planning session agenda utilizing the facilitation services of Weidner Consulting.)

e. Approximately what percentage of your county departments regularly prepare plans?

- 0-25% 26-50% 51-75% 76-100%

f. How often do individual departments revise their plans?

- Every year
 Every 2 years
 Every 3 to 5 years
 Every 6 to 10 years
 Less frequently than every 10 years

5. Please indicate how *involved* each of the following actors is in your county's strategic planning process (i.e. at the countywide level, not at the department level):

	Not Involved	Very Limited Involvement	Limited Involvement	Some Involvement	Active Involvement	Very Active Involvement
a. County legislative body	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Legislative committees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Chief elected official	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Chief administrative officer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. The budget office	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f. Central county offices	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g. County departments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Local governments	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Interest groups	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Citizen advisory groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Individual citizens	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l. Independent auditors	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
m. Consultants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
n. Contractors	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
o. State government	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

6. Please answer the following questions regarding the role of managers in managing for results in your county.

a. Do your county's managers receive training on strategic planning and performance measurement?

No Yes

If so, please describe this training.

Managers receive extensive training in strategic planning and performance measurement.

Strategic Coordinator Training – 134 managers and senior employees attended training in Managing for Results between June and August 2000. The participants in this program received a comprehensive "Resource Guide" for strategic planning. The training and Guide provided the resources and tools needed to develop high quality strategic plans. The training provided information and timelines on Maricopa County's initiatives to integrate performance-based budgeting and a methodology for creating alignment of the people, resources and systems within each County department. (See Attachment MFR-1-3 for the training materials/Resource Guide and Attachment MFR-6.a.-1 for the training agenda.)

Managing for Results Integration -- Consultants were brought in to several central service departments to provide training/consultation on the integration of Managing for Results into the systems that support Maricopa County's business practices. Internal Audit, Finance, Management and Budget, Materials Management, Human Resources, and Information Technology staff participated in these specialized training sessions.

Strategic Planning – 77 managers completed this training between May and November 1999. The class provided a model for strategic planning that could be adapted to any department or work unit. Participants learned various forms of organizational planning, methods to align all planning activities, how to utilize components of the strategic planning model, and how to move from planning to implementation. This course was replaced with the Strategic Coordinator training. The historical course description supplied from the online Employee Course Catalog is included as Attachment MFR-6.a.-2.

Performance Measures – 136 managers attended training in Countywide and department sponsored courses between October 1999 and February 2001. This class introduces the typical family of Performance Measures identified by the Government Accounting Standards Board as being essential in government accountability. Participants learn how to identify and develop Performance Measures including outcomes, as well as the more familiar set that includes inputs, outputs and efficiency. Participants learn the importance of Performance Measures,

the definition and utility of each type of measure, and how to measure the benefits experienced by customers (outcomes/results). The class materials were revised in January 2001 to more closely parallel the performance measure terminology utilized within Maricopa County's Managing for Results initiative. Participant manuals are included as Attachments MFR-6.a.-3 and 4.

Performance Management courses have been offered to supervisors (and employees) since 1996. Supervisors learn the concepts of aligning and managing employee performance to achieve organizational goals. The class offers tools and knowledge to assist supervisors in collaborating with employees to effectively manage performance. The process uses a performance management cycle that starts with the plan, and goes through monitoring, coaching, and evaluation. The performance plan is developed using an alignment worksheet to set employee goals that are directly tied to the department's strategic plan. Individual performance measures are developed that link back to the performance measures delineated in the department's strategic plan. These courses are offered through the Employee Course Catalog.

Management Team Meetings and Retreats – Throughout the year, the County Administrative Officer conducts regularly scheduled Management Team Meetings and full-day retreats. Typically, 60-100 managers participate. Listed are some key training sessions and/or seminars that have been held on strategic planning and/or performance measurement:

Attachment MFR-6.a.-5 -- Managing for Results - Corporate Review Reports and Where We Go Next (April 12, 2001). Focused on a historical timeline of Managing for Results in Maricopa County and an overview of the program integration.

Attachment MFR-1-2 -- Managing for Results Update -- Overview of Managing for Results in Maricopa County (July 25, 2000).

Attachment MFR-6.a.-6 -- Management Team Retreat -- Using Key Economic and Performance Indicators to Manage for Results (May 5, 2000).

Attachment MFR-6.a.-7 -- Management Team Meeting (June 10, 1999). Overview of County Administrative Officer's Performance Plan and Measures.

Attachment MFR-6.a.-8 -- Performance-based Accountability: Your Leadership Role (February 11, 1999). Dr. Barry Bales, Lyndon B. Johnson School of Public Affairs, University of Texas at Austin, led a management workshop that included Performance-based Budgeting, criteria of good performance measures, measuring and reporting outcomes, and strategic planning.

Attachment MFR-6.a.-9 -- Management Team Retreat (November 13, 1997) - - Managing for Results: The Key for More Responsive Government. Managers reviewed the University of Vermont video series.

Maricopa County Management Institute (MCMI) is an academy offered for managers and supervisors of Maricopa County.

The Supervisor School has graduated 787 supervisors who learn about all aspects of Maricopa County, including the Mission and Strategic Goals. The program is comprehensive in that it provides a full view of responsibilities of a supervisor in helping to align operations with the strategic direction of the County. The 56-hour course is available for university credits to apply to an undergraduate degree. The participant manual is included as Attachment MFR-6.a.-10.

The Manager School provides a values-based program to assist managers in leading constituents (employees) effectively to meet the strategic goals of the organization. There have been 216 managers who have graduated from the three and one-half day course. Tactical aspects of the program include guiding and developing employees through the Performance Management Process. The class instructors are senior County executives, the County Administrative Officer, Deputy County Administrator, and all Chief Officers. They discuss strategic direction and values during this course. The participant manual is included as Attachment MFR-6.a.-11.

MCMI Alumni Retreats – Beginning in 1998, graduates of the Supervisor and Management Schools have been invited to annual retreats to update knowledge and skills. In August 1999, 120 graduates of MCMI attended a daylong retreat that provided historical perspectives of the County, along with trends and projections for the future. A workshop on “Running a Tight Ship: Planning the Course and Measuring the Progress of Workgroups” was presented to supervisors and managers to learn about Strategic Planning, Performance Measures, Process Improvement, and Performance Management. The program brochure is included as Attachment MFR-6.a.-12.

In September 2000, over 200 Supervisor and Manager School alumni attended an event that focused on Managing for Results, Innovation, Planning Processes, Project Management, and other relevant management topics. The Maricopa County Managing for Results System was presented as a highly integrated management system designed to support good management practices. The participants learned that Strategic Plans derived from this process provide the right information to County management to make sound business decisions; provide information to "tell our story" to the general public; and align every employee to organizational results. The presentation was followed by a Managing For Results Challenge. In an activity called “Survivor”, audience members participated in a lively game show activity that reinforced concepts learned in the session. Program brochures are included as Attachment MFR-6.a.-13.

b. By what means are your county's strategic goals communicated to managers?
(Please check all that apply.)

- Meetings describing strategic goals
- Providing written strategic plans to employees
- Through the county website
- Through the individual agency websites
- State of the county address (or similar public presentation)
- Budget documents
- Budget hearings
- Employee newsletters
- Managers are responsible for communicating goals to employees
- Special task force communicates the strategic goals to employees
- Alternative forms of informal communication
- Other *(Please specify:*

3rd Avenue Pedestrian Bridge bulletin board (Attachment MFR-6.b.-1)

Strategic Coordinators' Newsletter (Attachment MFR-6.b.-2)

Management Team meetings and retreats

New Employee Orientation

Supervisor School

Manager School

Maricopa County Intranet (EBC-Electronic Business Center)

Individual managers' performance planning materials

Budget preparation documents

Government access cable TV airing of Board of Supervisors' meetings

Managers' Forum (Attachment MFR-6.b.-3)

_____)

c. To what extent are managers' performance appraisals linked to the accomplishment of measurable outputs and outcomes that are aligned with the county's, or their department's, strategic planning processes? *(Check the answer that best represents your county.)*

- The accomplishment of measurable outputs and outcomes is a very important part of the individual appraisal process for managers.
- The accomplishment of measurable outputs and outcomes is one consideration in the individual appraisal process for managers.

- The accomplishment of measurable outputs and outcomes is a minor consideration in the individual appraisal process for managers.
- The accomplishment of measurable outputs and outcomes is not a consideration in the individual appraisal process for managers.

d. Is manager performance with regard to county or department strategic goals reflected in pay?

- No Yes

e. If manager performance with regard to county or department strategic goals is reflected in pay, please describe how pay for performance works for managers in your county, and how it supports your county's strategic plan and goals.

Since 1995, Maricopa County has tied performance to our managers' salaries. That year, Maricopa County began a management incentive plan that awarded up to 5% of a department director's annual salary, based on results achieved. There were two components to the management incentive. First, achieving a 5% or more savings against the department expenditure budget. Second, achievement of a director's performance goals. Performance goals were set to reflect the strategic and business plan objectives. These two criteria set the approach and ensured that both financial and performance goals were reached. This plan continued through 1997.

After 1997, Maricopa County directors joined a single Countywide Performance Incentive Awards (PIA) plan (Attachment MFR-7.e.-1 -- "Share the Savings 2001 – Performance Incentives Program"). Performance incentive awards are an annual event in the County. In June (the last month of the fiscal year) employees and managers who have a satisfactory performance rating or higher, are eligible for a one-time financial award. Awards for department directors and above, relate directly to goal achievements, based on their annual performance plan. Managers below the director level are rewarded based on the incentive plan adopted by the entire department. These plans reflect outcome-based achievements that tie directly to strategic and business goals. Individuals who have higher performance ratings are eligible for higher awards, per the Human Resource PIA policy approved by the Board of Supervisors. A department director or manager is only eligible for a PIA if his/her department has personnel savings, has savings in the overall budget, and is forecasted to return one-half of the budget savings back to the taxpayers via an increase to the year-end fund balance which is then re-programmed for other purposes. If the savings do not occur as forecasted, the department is ineligible in the next fiscal year, thereby ensuring accountability through the incentive plan.

In addition to our Performance Incentive Award program, annual salary adjustments are given to managers in Maricopa County based on performance. Again, annual performance plans for directors and above relate directly to their strategic and business goals, and the achievement of these goals. Chief officers' and directors' performance plans are directly related to the County Administrative Officer's performance plan that is set by the Board of Supervisors. Salary advancements in Maricopa County are given for performance, market and equity reasons.

7. Please answer the following questions regarding the role of employees in managing for results in your county. (Note: For this question, “employees” does *not* include managers.)

a. Do county employees contribute to your county’s strategic planning process or their department’s strategic planning process in any of the following ways? (*Please check all that apply.*)

- Providing feedback through formal employee surveys
- Participating in strategic planning meetings
- Participating in focus groups
- Creating performance measures
- Writing components of the countywide strategic plan
- Writing components of the department strategic plans
- Other (*Please specify:*

_____ (a) Employees also contribute to their department's strategic planning process through their collaborative participation in the establishment of their individual performance plans and the subsequent evaluation process.

_____ (b) Data reported by employees through the E-Jamis timecard system contributes to departmental strategic planning, performance measurement, and budgeting._____)

b. By what means are your county’s strategic goals communicated to employees? (*Please check all that apply.*)

- Meetings describing strategic goals
- Providing written strategic plans to employees
- Through the county website
- Through the individual agency websites
- State of the county address (or similar public presentation)
- Budget documents

- Budget hearings
- Employee newsletters
- Managers are responsible for communicating goals to employees
- Special task force communicates the strategic goals to employees
- Alternative forms of informal communication
- Other (*Please specify:*
 - (a) 3rd Avenue Pedestrian Bridge bulletin board (Attachment MFR-7.b.-1)
 - (b) New Employee Orientation (Attachment MFR-7.b.-2 is a sample from a departmental NEO.)
 - (c) Maricopa County intranet (Electronic Business Center (EBC))
 - (d) Strategic Coordinators' Newsletter (Attachment MFR-7.b.-3)
 - (e) Various training classes offered through the Employee Course Catalog
 - (f) Departmental e-mail (Attachment MFR-7.b.-4)
 - (g) CD with video presentation to department employees (Attachment MFR-7.b.-5)
 - (h) Government access cable TV airing of Board of Supervisors' meetings
 - (i) Individual employee performance plans
 - (j) Written handouts distributed to employees (Attachment MFR-7.b.-6)
 - (k) Posted on department bulletin boards

NOTE: Sample employee newsletters are included as Attachments MFR-7.b.-7 and MFR-7.b.-8

c. Do your county's employees receive training on strategic planning and performance measurement?

- No Yes

If so, please describe this training.

Performance Measures and Strategic Planning classes described in MFR Question 6.a. are available to all employees. A number of non-supervisory/managerial employees attended the comprehensive Strategic Coordinator training.

The following additional classes on strategic planning and performance measurement are offered through the Employee Course Catalog:

Data Gathering courses have been offered to employees since October 1999. Participants learn how to put the request for data in its structural context, develop study objectives, identify customers, find and use appropriate data, and design survey questions.

Performance Management courses have been offered to all employees since February 1999 with over 1,500 attendees. Participants learn that Performance Management is the process of managing individual performance to achieve organizational goals. The process uses a performance management cycle that starts with the plan and progresses through monitoring, coaching, and evaluation. The performance plan is developed using an alignment worksheet to set employee goals that are directly tied to the department's strategic plan. Individual performance measures are developed that directly link to the performance measures delineated within the department's strategic plan. The class offers tools and knowledge to assist employees in collaborating with supervisors in managing their own performance. Attachment MFR-7.c.-1 is a copy of the Participant's Guide for the workshop.

The Quality Tools Certificate includes a series of courses in problem solving, use of measurement tools, analyzing work processes, and obtaining documentation and measures through data gathering. Attachment MFR-7.c.-2 provides the Catalog description of this certificate series.

- d. To what extent are employees' performance appraisals linked to the accomplishment of measurable outputs and outcomes that are aligned with the county's, or their department's, strategic planning processes? (*Check the answer that best represents your county.*)
- The accomplishment of measurable outputs and outcomes is a very important part of the individual appraisal process for employees.
 - The accomplishment of measurable outputs and outcomes is one consideration in the individual appraisal process for employees.
 - The accomplishment of measurable outputs and outcomes is a minor consideration in the individual appraisal process for employees.
 - The accomplishment of measurable outputs and outcomes is not a consideration in the individual appraisal process for employees.
- e. In your county, is employee performance with respect to county or department strategic goals reflected in pay?
- No Yes

If so, please describe how pay for performance works for employees in your county, and how it supports your county's strategic plan and goals.

Maricopa County links increases in compensation to performance. Employees are not eligible for any type of salary increase if their performance is not rated as satisfactory or above. For the past five years, the County has had in place an incentive program (Attachment MFR-7.e.-1 -- "Share the Savings 2001 – Performance Incentives Program") that allows departments to recognize employees who have consistently met or exceeded their performance goals, and to encourage continued high performance levels. Department eligibility requirements include the development of departmental strategic plans and use of the Managing for Results template. Departmental award implementation strategies are tied to their Managing for Results strategic plans. Examples of departmental implementation strategies are included as Attachments MFR-7.e.-2 and MFR-7.e.-3.

Salary advancements for merit have been part of the Compensation Plan since 1997. All salary advancement recommendations require a performance evaluation completed within the preceding twelve months that reflects satisfactory or higher performance rating.

Contributions to the achievement of departmental strategic goals and performance measures are the cornerstones of Maricopa County's employee performance management and evaluation system. The Managing for Results process further strengthens the alignment from the County's strategic goals through the department's strategic goals. This alignment, in turn, directly links to the performance expectations of each individual employee. Performance increases will continue to be based on the employee's contributions to the department's success in furthering its strategic goals, as demonstrated through performance measures that can be linked directly to those goals.

8. Please answer the following questions about the role of citizens in managing for results:

a. To what extent does your county obtain feedback from citizens using each of the following methods?

	Not Used	Very Limited Feedback	Limited Feedback	Some Feedback	Active Feedback	Very Active Feedback
Random telephone surveys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
General written surveys mailed to all citizens of the county	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General written surveys mailed to a sample of citizens	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Service-specific surveys mailed to a sample of citizens	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Face-to-face interaction between citizens and representatives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
800 numbers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Web feedback or email	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Town hall type meetings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Public hearings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Citizen advisory groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other (<i>Please specify:</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Service specific telephone surveys (Active Feedback)</u>						
<u>Face-to-face surveys (Very Limited Feedback)</u>						
<u>Point-of Service questionnaires (Limited Feedback)</u>						
<u>Public meetings (Active Feedback) -- See Attachments MFR-8.a.-1 and 8.a.-2 for</u>						

sample notices. _____
 _____)

b. How large an impact does the feedback your county obtains from each of the following methods have on decisions made in your county?

	Not Used	Very Limited Impact	Limited Impact	Moderate Impact	Large Impact	Very Large Impact
Random telephone surveys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
General written surveys mailed to all citizens	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General written surveys mailed to a sample of citizens	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Service-specific surveys mailed to a sample of citizens	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Face-to-face interaction between citizens and representatives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
800 numbers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Web feedback or email	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Town hall type meetings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Public hearings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Citizen advisory groups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Other (Please specify:

Service Specific telephone surveys (Very Large Impact)

Face-to-face surveys (Large Impact)

Point-of-Service questionnaires (Large Impact)

Public Meetings (Large Impact)

_____)

- c. If your county uses citizen advisory groups, please identify them and briefly describe their role in the goal-setting process.

Please see Attachment MFR-8.c.-1 for a listing of Maricopa County Boards and Commissions.

Generally, the members of these Boards and Commissions are direct participants in and/or heavily influence the goal-setting process. The following illustrative examples are offered:

1) Citizens' Jail Oversight Committee (CJOC)-- The Committee's charter is to review all requests for projects to ensure that they are consistent with the Criminal Justice System Master Plan and within the scope of the project represented to the public. In November 1998, voters approved two propositions relating to County jails, the purposes of which included: To finance construction of new adult and juvenile jail facilities; maintain and operate adult and juvenile jail facilities; and to fund the following for the purpose of reducing the expense of adult and juvenile facilities: (a) Implementing an Integrated Criminal Justice Information System; (b) Developing regional centers for courts not of record; (c) Implementing differentiated case management for criminal cases in Superior Court; (d) Consolidating criminal divisions of the Superior Court in Maricopa County to a common location; (e) Expanding pretrial release supervision; (f) Implementing electronic monitoring of preadjudicated defendants; (g) Enhancing substance abuse evaluation and programming; (h) Increasing drug court admissions to include preadjudicated defendants and expanding drug court jurisdiction; and (i) Using community based juvenile detention and post adjudication programs.

In short, the job of the CJOC is to ensure that Maricopa County produces on every promise it made to the public. Its membership consists of appointments by each member of the Maricopa County Board of Supervisors, the Sheriff, the County Attorney, the Presiding Judge of the Superior Court, and the County Administrator's

Office. The oversight and resulting recommendations from the CJOC were used to determine departmental and county strategic planning and goal setting.

2) Parks and Recreation Commission -- The Maricopa County Parks and Recreation Commission participates in the strategic planning process and lobbies for Maricopa County's interests and the achievement of departmental goals.

3) Flood Control Advisory Board -- The Flood Control Advisory Board serves the Flood Control District of Maricopa County in both an advisory and approval capacity. Although the Flood Control Advisory Board does not have approval authority over dollars, it does recommend approval or disapproval of goals, capital projects, budgets, etc. to the Board of Directors.

4) Community Development Advisory Committee -- One of the functions of the Community Development Advisory Committee is to provide review and recommendations to the Maricopa County Board of Supervisors regarding both housing and non-housing goals as presented in the Urban County Comprehensive Plan.

5) Citizens Advisory Audit Committee -- The Citizen's Audit Advisory Committee meets monthly and provides feedback on all of Maricopa County's audit activities, including strategic documents, such as the annual audit plan, and the five-year audit schedule.

d. If your county uses citizen surveys, what information do these instruments request from citizens? *(Please check all that apply.)*

- Their assessment of county government performance in general
- Their assessment of the performance of specific departments
- Their assessment of the quality of specific services
- Their policy preferences
- Their political preferences
- Demographic information (such as income status, family size, etc.)
- Other *(Please specify: _*

Location and/or convenience of service sites

9. Please answer the following questions about performance management in your county:
- a. To what extent are the following types of performance *measures* identified or reported in each of the following documents? (*Please check all that apply for each type of document, and send us copies of these documents.*)

	Baseline data	Input measures	Output measures	Outcome measures	Performance targets
County budget	<input checked="" type="checkbox"/>				
Countywide strategic plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
County performance reports or audits	<input checked="" type="checkbox"/>				
Department strategic plans	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Department performance reports or audits	<input checked="" type="checkbox"/>				
Other documents (<i>Please specify:</i>	<input type="checkbox"/>				

Staff of the Maxwell School recommended that we include a description of the family of measures utilized by Maricopa County. Where possible the definition is included within the response to specific questions; i.e., 9.b., 9.c., 9.d., 9.g. An overview of Maricopa County's performance measures and their definitions are also included as Attachment MFR-9.a.-1.

INFORMATIONAL NOTE: Each of the documents requested is included as an attachment in response to previous questions posed in the survey. The materials are available as follows:

County budget -- Attachment MFR-Document/Information Requested (D)-6. The "FY00/01 Annual Business

Strategies" is also available at
www.maricopa.gov/budget/budget_documents/default.asp.

Countywide strategic plan -- Attachments
MFR-Document/Information Requested
(A)-1 and (A)-2 or via www.maricopa.gov
under the "Information Resources"
Services listing.

County performance reports or audits --
Attachment MFR-Document/Information
Requested (H)-1 through (H)-6 include
performance audits conducted by the
Internal Audit Department on behalf of the
Maricopa County Board of Supervisors.
Additional audit information and reports
are available at
www.maricopa.gov/internal_audit/reports.
asp.

Department strategic plans -- Attachments
MFR-Document/Information Requested
(A)-1 and (A)-2 or via www.maricopa.gov
under the "Information Resources"
Services listing.

Department performance reports or audits
--In addition to performance reports/audits
conducted by the Internal Audit
Department, departmental performance
audits conducted by other independent
auditors are included as Attachments
MFR-Document/Information Requested
(H)-7 through (H)-11. A listing of web
sites the public can use to find
performance data reports is provided in
response to (G) of the
Document/Information Section of the
survey.)

- b. Please describe how much emphasis your county puts on the use of *output*-based measures.

Maricopa County utilizes a family of measures involving four categories of performance measures for each Activity identified within each Program of every department: Results, Outputs, Demand, and Efficiency. Conceptually, these families of measures allow us to describe the following for each Activity: “We will produce these results for this customer by producing this output(s) against this demand for those outputs (Services), at this cost (Efficiency).”

Attachment MFR-9.a.-1 offers a description of Maricopa County's family of measures (Result, Output, Demand, and Efficiency), as well as the following terms: Baseline data, Input measures; Strategic Goals (Performance targets); Service; Activity; and Program.

We define “Output” as the amount of Service (deliverable the customer receives) provided or number of units produced or processed. Output-based measures are one of four types of measures delineated for each Activity that comprises all Programs within every departmental strategic plan. Output-based measures are among the four measures reported quarterly and are included in a variety of internal and external reporting documents prepared and distributed by departments. Representative samples of these reports are included as attachments in the “Documents and Information Requested” section at the beginning of the Managing for Results Survey.

- c. Please describe how much emphasis your county puts on the use of *outcome*-based measures.

Our outcome-based measures are called Results Measures. Please see the definitions provided in Attachment MFR-9.a.-1 for Maricopa County's family of measures. Our “Result” measure captures the impact or benefit that customers experience because they received the County's Services. Result measures are expressed as a percent or rate.

Outcome-based (Result) measures are one of four types of measures delineated for each Activity that comprises all Programs within every departmental strategic plan. Outcome-based (Result) measures are among the four measures reported quarterly and are included in a variety of internal and external reporting documents prepared and distributed by departments. Representative samples of these reports are included as attachments in the “Documents and Information Requested” section at the beginning of the Managing for Results Survey.

Review and analysis of key performance measures are integral within our Budgeting for Results system as described in Attachment MFR-1-9.

- d. To what extent does your county collect and use baseline data? If you use such data, please describe how complete it is.

As reflected in Attachment MFR-9.a.-1, "baseline data" is defined as an established level of previous or current performance that could be used to set improvement goals and provide a comparison for assessing future progress.

Two years of baseline data are requested for each performance measure in every Activity for each Program in all departments. Data is included in strategic planning documents, quarterly reports, budget documents, and in a variety of internal and external reporting documents prepared and distributed by departments.

Representative samples of these reports are included as attachments in the "Documents and Information Requested" section at the beginning of the Managing for Results Survey.

- e. Does your county disaggregate its performance data to permit smaller geographic, demographic, or functional units to compare themselves with other similar units?

No Yes

If so, please provide a few examples of how this is done.

Many of the sample documents provided in sections (D) and (E) of the "Documents/Information Requested" of this survey also include a variety of disaggregated performance data. A few additional samples are offered, including:

- 1) Maricopa County Department of Transportation -- Attachment MFR-9.e.-1 includes a variety of reports that reflect disaggregated performance data, as well as sample benchmarking data with other counties.
- 2) Maricopa County Parks and Recreation -- Attachment MFR-9.e.-2 includes various reports relating to the performance of park police, visitor attendance, and volunteer hours based on individual parks.
- 3) Attachment MFR-9.e.-3 provides a sample from the Superior Court in Maricopa County in which case filings, trials, initial appearances, and related court performance data are disaggregated by type of case.

In addition to the examples of disaggregated performance data provided by individual departments, each departmental strategic plan includes an Administrative Services Program that addresses core Activities such as human resources,

budgeting, financial services, procurement, etc. The Program's activities and corresponding performance measures are standardized across the entire County through each department's strategic plan. Through quarterly web-based reporting, the data can be viewed on an individual department basis and has the capacity to be consolidated to obtain Countywide results, outputs, demands and efficiencies. Individual departments also have the capacity to benchmark against other County departments and agencies.

f. Does your county set specific performance *targets*?

No Yes

g. If your county sets specific performance targets, please explain how these are set, by whom they are set, and where they are documented.

As reflected in Attachment MFR-9.a.-1, performance targets translate to the Strategic Goals reflected within departments' strategic plans. Performance targets (strategic goals) are set by each department in response to issues that arise from the environmental assessment conducted as part of the strategic planning process. The Resource Guide provided in Attachment MFR-1-3 fully describes the methodology utilized by Maricopa County departments/agencies to establish performance targets/strategic goals (pages 32 - 36).

Performance targets (strategic goals) are documented in every departmental strategic plan and undergo the four-phase review process (described in response to Question # 1) that culminates in a meeting with a corporate-level review committee. This review process ensures alignment between departmental performance targets and the Maricopa County Board of Supervisors' strategic priorities.

- h. If your county sets specific performance targets, please explain how actual results are compared to them and what happens if the targets are not met.

Progress toward meeting performance targets (strategic goals) is included in quarterly reports submitted to the County Administrative Officer (see www.maricopa.gov/qty_perf/default.asp), Deputy County Administrator or Chief Officer. The County Administrative Officer (CAO), Deputy County Administrator (DCA) and Chief Officers have regularly scheduled meetings with their direct reports; i.e., department directors and management staff. Progress toward performance targets/strategic goals is frequently discussed in these forums.

At least annually, the CAO, DCA and Chief Officers conduct formal performance evaluation discussions with each of their direct reports. Attainment of performance targets is discussed and documented. Unmet targets are reviewed, analyzed, and action plans are developed for the upcoming evaluation cycle.

- i. Does your county produce regular countywide performance *reports*?

No Yes

- j. If so, how frequently?

Monthly
 Quarterly
 Semi-annually
 Annually
 Biannually
 Less frequently than every 2 years

- k. Are the contents of these reports discussed between the county's legislative body and the department head?

No Yes

- l. How are performance results communicated to citizens? (*Please check all that apply.*)

Published documents available upon request
 Published documents automatically mailed to all citizens

- Published documents automatically mailed to citizen groups
- On display at county offices
- Posted on county websites
- Available at public libraries
- Distributed to the news media
- Reported at public meetings
- Other (*Please specify:*

Distributed to citizen advisory boards

Distributed to interest groups and organizations

10. Please answer the following questions about performance audits:

a. Does your county conduct performance *audits*?

- No Yes

b. If so, how many are conducted?

- | | |
|---|---|
| <input type="checkbox"/> Less than 1 per year | <input type="checkbox"/> 26 to 50 per year |
| <input type="checkbox"/> 1 to 5 per year | <input type="checkbox"/> 51 to 75 per year |
| <input type="checkbox"/> 6 to 10 per year | <input type="checkbox"/> 76 to 100 per year |
| <input checked="" type="checkbox"/> 10 to 25 per year | <input type="checkbox"/> More than 100 per year |

c. Who conducts them?

- An independent external auditor who is hired
- An internal county auditor who is appointed by the county's legislative body
- An internal county auditor who is appointed by the chief administrator
- Individual departments
- Other (*Please specify:*

Research reports conducted by Office of Management and Budget analysts.

Sample reports are available at

www.maricopa.gov/budget/Research_Reports/default.asp

- d. Which of the following are included in the performance audit process? *(Please check all that apply.)*
- Performance data verification
 - Review of strategic planning efforts
 - Evaluation of the extent to which the strategic plan has been implemented
 - Examination of work processes to identify opportunities to enhance efficiency
 - Review of the relevance of performance measures
- e. Do these audits generate recommendations for improving performance?
- No Yes
- f. If so, how frequently are these recommendations implemented?
- Almost always
 - Very frequently
 - Sometimes
 - Rarely
 - Never

11. Please explain and provide specific examples of the ways by which your county ensures consistency between countywide strategic goals, department goals, program objectives, performance measures, and performance targets.

A number of key elements in Maricopa County's Managing for Results system ensure consistency and alignment between Countywide strategic goals, department goals, program objectives, performance measures and performance targets.

- a) The strategic planning process ensures alignment within each department's plan. Based on an environmental assessment, strategic issues are identified. Strategic goals and performance targets are established to address those strategic issues. Programs, Activities, and Services are articulated to ensure that strategic goals and performance targets can be addressed and achieved through established operations. A family of performance measures is established for each Activity beginning with a direct assessment of the efficacy of Results that customers receive.
- b) The four-phase Corporate Review process ensures the technical, structural, and contextual quality of each departmental plan. Inherent in this review process is an evaluation of department plans' internal consistency among goals, programs, performance measures and performance targets. The Review process culminates in a

meeting with a corporate-level committee. The committee offers a final review to ensure consistency between departmental missions, goals and programs with the Board of Supervisors' strategic direction and priorities. Additionally, emerging issues are identified and delineated as a reference tool for the Board of Supervisors during their strategic planning sessions.

c) Internal service departments crafted standardized Program purpose statements, Activity purpose statements, and performance measures for two key programs: Administrative Services and Information Technology. These comprehensive, standardized Programs are included within departmental plans and ensure consistent data collection, measurement, and reporting of key administrative functions, including human resources, risk management, budgeting and financial services, procurement, office of the director/elected official, and technology programs and activities.

d) The budgeting phase of the Managing for Results system requires demonstrated alignment between departmental funding requests and the Board of Supervisors' strategic priorities and the department's strategic plan.

12. Please describe how your county and individual departments ensure that that performance information is sufficiently complete, accurate, valid, and consistent.

A number of processes are incorporated throughout the Managing for Results cycle that are designed to ensure that performance information is sufficiently complete, accurate, valid, and consistent.

a) Strategic planning phase -- The strategic plan database includes data fields for departments to enter the data source and calculation formula for each performance measure. This strategy provides a prompt for departments to consider and document their measurement procedures. Throughout the four-stage review process, Office of Management and Budget analysts and the Corporate Review Committee review departmental strategic plans, including an assessment that proposed performance information provides complete and accurate data.

b) Training classes on data collection strategies are available to assist departments in identifying reliable methods to track and collect performance information.

c) Reporting phase -- Departments report performance data via the Managing for Results database. This strategy provides an efficient and timely vehicle to ensure that data is complete or to identify incomplete reporting.

d) Evaluating phase -- The Maricopa County Internal Audit Department reviews and reports on strategic plans and performance measures. The Internal Audit Department has established specific procedures to ensure that the performance information is sufficiently complete, accurate, valid, and consistent. The purpose of the Internal Audit

review and analysis is to provide some assurance to the users that reported data is accurate, and can be relied upon for decision-making purposes. Specifically, Internal Audit's objectives are to determine the accuracy of the data, assess the adequacy of procedures, provide assistance with problems, and report the results in an "Accountability Report" to citizens via the Board of Supervisors.

Internal Audit will perform the following procedures when auditing a department's measures: (1) select the areas to be reviewed; (2) review the calculations; (3) analyze the procedures; (4) test the source documents; (5) examine internal controls to determine if they ensure data integrity; and (6) report the results to the Board of Supervisors, citizens, the County Administrative Officer, Deputy County Administrator, Chief Officers or Elected Officials, and department directors.

Internal Audit will classify and report the audited performance measures under the following categories:

Certified -- Reported data is accurate within +/- five percent, and adequate procedures are in place

Certified with Qualifications -- Reported data appears accurate (+/- 5%); adequate procedures are not in place

Inaccurate -- Reported data is not within +/- five percent of actual performance

Could Not Certify -- Actual data could not be determined due to inadequate procedures or insufficient documentation

13. Please answer the following questions about performance information:

a. To what extent do you agree with the following statements about the demand for performance information in your county?

	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
Citizens have a high demand for performance information.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The local news media have a high demand for performance information.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The county's legislative body has a high demand for performance information.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- | | | | | | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|
| The chief administrator's office has a high demand for performance information. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Department managers have a high demand for performance information. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

b. To what extent do you agree with the following statements about the use of performance information in your county?

- | | Strongly Disagree | Disagree | Neither agree nor disagree | Agree | Strongly Agree |
|--|--------------------------|--------------------------|----------------------------|--------------------------|-------------------------------------|
| Performance information is frequently used by county legislators in making policy decisions. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Performance information is frequently used in making budget allocations. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Performance information is frequently used by administrative officials in decision-making. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Performance information is frequently used to improve departmental processes. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Performance information is frequently used to reward managers. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Performance information is frequently used to reward employees. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

c. What opportunities are department heads given to explain poor performance and suggest ways to improve?

As described in response to Question 9.h., progress toward meeting performance targets (strategic goals) is included in quarterly reports submitted to the County Administrative Officer (see www.maricopa.gov/qty_perf/default.asp), Deputy County Administrator or Chief Officer. The County Administrative Officer (CAO), Deputy County Administrator (DCA) and Chief Officers have regularly scheduled meetings with their direct reports; i.e., department directors and management staff. Progress toward performance targets/strategic goals is frequently discussed in these forums.

At least annually, the CAO, DCA and Chief Officers conduct formal performance evaluation discussions with each of their direct reports. Attainment of performance targets is discussed and documented. Unmet targets are reviewed, analyzed, and action plans are developed for the upcoming evaluation cycle.

The Corporate Review Team will also evaluate progress made against the prior year's plan, beginning with the second review cycle in Fall 2001/Winter 2002. Department Leadership will explain progress made, and why some goals may not have been achieved. This will become an annual review process.

14. Please answer the following questions about contracting out in your county:

- a. How often does your county use specific measures to systematically track the performance of public services that have been contracted out by your county?

Always Often Sometimes Rarely Never

- b. How often are performance targets included in contracts for services that have been contracted out?

Always Often Sometimes Rarely Never

- c. How often are financial rewards linked to the achievement of pre-set performance targets?

Always Often Sometimes Rarely Never

- d. Does your county have a formal process for assessing the results of contracting out public services (for example, in terms of costs, policy outcomes, citizens satisfaction) relative to alternative ways of delivering services?

No Yes

If so, please describe this process and provide specific examples or documentation of how it works.

Maricopa County strives to be the lowest cost, highest quality provider of public services in Arizona. Strategic and pragmatic use of services available from the private, not-for-profit, and volunteer sectors are part of that strategy. County management will look first to a presumption of utilization where an active marketplace of services exists within any of the sectors. Where there are high levels of expertise and an active marketplace in the private sector, the county will look first to obtain services there. Where there is an inherent trust and highly sensitive

public policy issues, such as law enforcement, there will a presumption of looking to traditional public sector service delivery first. Wherever practical, a competitive process will be used to determine how services will be delivered.

The goal is to look at every service decision as a matter of sound business reasoning and public trust, recognizing the changeability of the marketplace. What served as a management solution for one period of time may not continue to be the management answer of the future. Improving management is a continuous process. Each contract renewal revisits the question of how best to provide services at the least cost with the highest quality. Factors of cost and quality determine the overall value provided to the public of services delivered.

The process of analysis must be objective and business decisions must be made in the interest of taxpayers, recipients of service, and those that pay fees for service. Inherent in these decisions is the use of performance measurement data. This includes not only the total comparative costs of various delivery methods for programs, but also the unit costs of individual services and customer satisfaction data as well.

The Board of Supervisors encourages county management in both appointed and elected departments to utilize this competitive analysis philosophy for the purpose of making continuous improvements to county operations. The Board of Supervisors approved this process on January 31, 2000.

15. How much does your county's existing information technology system contribute to your ability to collect and evaluate performance data? (*Check one.*)

- Very much
- Somewhat
- A little
- Not much at all

16. Please describe any ways in which the information technology currently in place for performance measurement or monitoring either impedes or dramatically enhances your county's ability to manage for results.

Our existing technology systems significantly enhance our ability to collect and evaluate performance data. As there was no commercial software package available for

collecting, maintaining and analyzing MFR data, a custom-designed MFR Data Warehouse was developed and deployed on the County Intranet (Electronic Business Center). This system allows departments to document their strategic plans and to maintain their performance measurement estimates and results. The system also includes provisions to record and store specific efficiency measures to facilitate the evaluation and comparison of performance data by individual departments as well as from a County-wide perspective.

A. The MFR Data Warehouse serves multiple purposes by:

- 1) providing an opportunity for efficient information exchange and publishing;
- 2) enhancing management's visibility of performance data; and
- 3) providing flexibility to view data in various formats and combinations for effective evaluation. The custom system is used in addition to other existing methods of evaluating departmental budget performance based upon integrated data from the County Budget and Financial systems (Adaytum and Advantage).

The range of the MFR Data Warehouse is extensive. It collects and integrates strategic plan and performance data from the highest County-wide level down to the most detailed specifics of departmental operations. All strategic planning elements are present such as mission, vision and goals – both for the County as a whole and those specific to the owning agency. A second tier of management information relates to the Programs/Activities/Services that a department performs, as dictated by its strategic plan. Most programs are department-specific, however the system also has the ability to collect standard data on programs that are common to many or all agencies. This feature allows common programs to be evaluated and compared “apples to apples” across departmental boundaries. The most detailed data captured by the system are specific performance measures related to each activity. The MFR Data Warehouse includes provisions for entering and maintaining result, output, demand and efficiency measures. System users can specify as many performance measures as they deem necessary of the above measure types. To capture the time element, there are twelve different time dimension “containers” for each measure. Using these fields, historical, quarterly, year-to-date, and projected future measures can be captured and analyzed.

B. Finance-related:

Maricopa County has always measured budget performance at the “traditional” cost centers, such as fund, department and division, through our current general ledger and reporting system. However, system reporting limitations have not supported the utilization of cost accounting data within the general ledger system at an optimal level.

During FY2000-01, we completed three significant steps towards enhancing our ability to collect and report this information. First, we successfully completed the conversion of the Advantage financial system to a relational database foundation (IBM DB2). Second, we have successfully secured a new financial reporting tool that will: a) allow us to

effectively report costs at Program/Activity/Service performance levels; and b) dramatically enhance our ability to analyze and report financial information for traditional cost centers. Third, we have successfully tested the general ledger system's ability to manage this new data source. The collection of costing data at the Program/Activity/Service levels will be rolled out to all departments beginning July 2001.

C. HR-related

The following systems either now provide, or will soon provide enhanced MFR capability for Human Resources:

- 1) Beginning in July 2001, the E-Jamis electronic timecard system will be extended County-wide to track time at a more detailed Program/Activity/Service level. This system, which will directly interface with our HR payroll/personnel system, will provide greater accuracy in tracking and reporting personnel costs at the program, activity, and service levels.
- 2) The Registrar classroom management system has recently been converted to a web-enabled Learning Management System. This system is integrated with HRMS and is used to track all centrally sponsored training and tuition reimbursements. It is also used by more than 15 departments to track their department specific training.
- 3) The Personnel Data Systems' (PDS) Employee Benefits System was recently implemented to allow expansion and management of niche benefit opportunities for employees.
- 4) A number of management reports are now utilized in workforce measurement and planning. These include: employee turnover activity; potential retirement dates for workforce planning; performance evaluation dates and ratings; and performance plan completion dates.
- 5) Many different ways of electronically communicating reports have been developed to allow agencies to view or download data for analysis functions. These methods include Report.Web (on our Intranet) and Crystal Reports (to create ad hoc reports or view standard reports).
- 6) We are currently developing a new, major subsystem within the MFR Data Warehouse to collect and utilize data related to the County's organization portfolio. This subsystem will fully automate: organization charts, position information, job title, job family, compensation, and history. This information, which will be integrated with the other administrative systems, will greatly enhance HR reporting and analysis capability.
- 7) Other specific areas targeted for automated system enhancement include: Personnel Agenda processing, new hire processing, applicant tracking, and workers compensation/case management.

D. Budget-related

We are completing the first full year of implementation of our latest budget development system, Adaytum. Beginning with budget development for FY 2002-03, departments will be able to budget by program using the new Program/Activity/Service codes that have been established in the financial system (in alignment with departments' strategic plans). Eventually, the system will facilitate budget development from performance measures. The system also has "e-budgeting" capability, through which we will be able to broaden access to budget and financial planning information.

17. Please describe the most significant problems or challenges you believe your county faces with respect to managing for results.

The diversity and scope of Maricopa County departments' missions offer unique and dynamic opportunities to create and maintain an integrated Managing for Results system. The system requires sufficient standardization to provide consistent planning, budgeting/financial management, and evaluation data across the County while ensuring an appropriate level of flexibility to accommodate the myriad needs of distinct programs, activities and services provided by Maricopa County, including those of elected departments and the judiciary. Since Maricopa County has appointed, elected, and judicial departments, utilization of a standardized system has been challenging. However, in fiscal year 2000-01, we did receive 100% participation.

The number of employees and the geographically disperse nature of Maricopa County service sites also has created challenges. These factors prompted the establishment of creative deployment and communication strategies. Establishing Strategic Coordinators to serve as the focal point for the Managing for Results system facilitates the active understanding and enthusiastic support of leaders, both appointed and elected. Similarly, the four-phase Corporate Review Process enhances the quality and consistency of plans, supports the use of common terminology across the organization, and provides a vehicle for each department to tell their story and raise issues to the level of the Board of Supervisors.

Keeping the momentum to "Manage for Results" will be challenging in the years ahead. County Administration will have to continue to demonstrate the need and use of performance data, in order to have all County departments and employees remain committed to this new paradigm. The Board of Supervisors' continued support is imperative to a successful program.

18. Please describe any unique or innovative approaches to managing for results your county has recently implemented. In particular, describe any mechanisms your county uses to promote proactive problem-solving or to respond to emerging issues (such as recent concern with election reform).

Maricopa County's Managing for Results integrated system offers a variety of innovative features:

- a) The identification of and provision of comprehensive training to a core group of Strategic Coordinators (representing each County, Elected and Court department) to serve as a focal point and communication channel;
- b) The four-level Corporate Review process of each departmental plan. The composition of the Strategic Plan Corporate Review Committee is especially innovative and effective. The Committee is comprised of five core members -- the Deputy County Administrator, Budget Manager, Human Resources Director, Chief Financial Officer, and the Performance Measurement Auditor from the Internal Audit Department. In addition to these core members, County business representatives from specialized Elected Official offices, Court agencies, Criminal Justice, Health, Community Services, and Public Works serve on the Committee. This top-managerial leadership group offers an impressive breadth of knowledge, expertise and insight to the review process and ensures that individual departmental plans consistently align with Maricopa County's overall strategic direction;
- c) The Program, Activity, Service (PAS) cost accounting structure drawn directly from departmental strategic planning documents and the E-Jamis timekeeping system. These financial reporting systems allow departments to track expenditures at the Service, Activity and Program level, to calculate efficiency measurements, and to engage in program budgeting; and
- d) A web-based strategic plan development and reporting system.

In addition to the above, individual departments have developed unique and/or innovative approaches to managing for results. The following are a few such approaches implemented by Maricopa County:

- a) The Internal Audit Department hosts various Self-Assessment Workshops that have been effective in educating employees about key controls that should exist in their functions, in addition to having them identify and correct any existing weaknesses. For example, the Cash Handling Workshop, which is in its second successful year, enables employees to design, implement, and maintain an effective cash handling system. This workshop has been recognized by the National Association of Local Government Auditors and is slated to receive their Special Projects Award for the year 2000. Internal Audit's newest workshop, the Contract Management Workshop, provides education and

information to assist departments in developing an effective contract management system. The participant guides for the training sessions are included as Attachments MFR-18-1 and MFR-18-2. These approaches are successful because they involve a team effort between Internal Audit and management.

b) Another innovative approach utilized by the Internal Audit Department is the “Got Controls?” Management Control Bulletin. The bulletin, which is circulated monthly, is used to educate executive management on emerging control issues developing throughout the County. Sample issues of the bulletins are included as Attachment MFR-18-3. This proactive process stresses education and teamwork to effectively solve current problems.

c) The Maricopa County Department of Transportation (MCDOT) developed BEECN, or “Benchmarking, Effectiveness and Efficiency, the County Norm”, a system designed to assure the highest levels of performance. Specifically, BEECN is a proactive system that offers guidance in determining the best method to provide services from a full spectrum of possibilities. A comprehensive, step-by-step assessment gives the owning work group a plan for action that assures the best value in a competitive and collaborative environment among public sector peers and private sector service providers. This method allows each department to discern the ideal combination of possibilities, which in turn results in the best value to the customers. An informational brochure about BEECN is included as Attachment MFR-18-4.

d) MCDOT also participates in the Entente Program, a collaborate agreement to exchange maintenance services between Maricopa County and Yuma County. This intergovernmental agreement is designed to provide the traveling public with a more seamless transportation system via a cooperative highway maintenance program. The Entente Program looks beyond jurisdictional and geographical boundaries and instead focuses on the maintenance task and availability of the most economical resources. Attachment MFR-18-5 is a copy of the intergovernmental agreement that documents the program.

Proactive problem-solving and the capacity to respond to emerging issues are facilitated by system elements, such as:

a) The creation of Countywide Administrative Services and Information Technology (IT) Programs. The standardized data allows County leadership to detect emerging administrative trends. The disaggregated data included within each department's plan allows for benchmarking across departments and the capacity to recognize and emulate best practices.

b) Quarterly reporting of performance measures data and monthly web-based financial reporting provide early warning systems to detect unanticipated emerging trends and proactive problem-solving. The annual review and update of strategic plans also facilitates analysis, decision-making, and responsiveness.

c) The review of each plan at a corporate level contributes to a consolidated response to Countywide issues and cooperative inter-departmental problem-solving. For example, Maricopa County's "One Stop Shop" permitting process requires teamwork across five different departments. The Managing for Results system enhances these departments' capacity to plan, track data, provide results to customers, report results, and engage in integrated decision-making.

d) McJustice is an interoffice committee that meets monthly to share information and to coordinate solutions to emerging criminal justice issues. The group includes the Presiding Judge of Superior Court in Maricopa County, the Elected County Attorney, the Public Defender, a representative from Justice Court Administration, the Adult Probation Director, the Presiding Judge of the Juvenile Court, the County Administrative Officer, and others as needed. Often time, representatives from other local governments attend as well.

This is a highly collaborative group that has and will continue to work on integrated solutions to justice services. Some accomplishments to date include a Productivity Improvement Study of the Maricopa County Public Defender's Office (Attachment MFR-18-6), a Regional Crime Prevention Initiative (Attachment MFR-18-7), and a Monthly Performance Report (Attachment MFR-18-8) which reports various performance measures and statistics of the McJustice Community.

Thank you for your valuable assistance in providing this information.

Please provide the names, contact telephone numbers, and email addresses for those who completed this section of the survey:

Name: David R. Smith Job Title: County
Administrative Officer

Phone: 602.506.3572 Email: DSmith@mail.maricopa.gov

Name: Sandi Wilson Job Title: Deputy County
Administrator

Phone: 602.506.2623 Email: SWilson@mail.maricopa.gov

Name: Helen Dusick Job Title: Management & Budget
Coordinator

Phone: 602.506.3756 Email: HDusick@mail.maricopa.gov

As you know, Governing magazine will follow up with interviews on the topics covered in this survey. To make sure that the proper people are interviewed, please provide suggestions and contact numbers below.

Who would you recommend that we contact for interviews about strategic planning?

Name: Sandi Wilson Job Title: Deputy County
Administrator

Phone: 602.506.2623 Email: SWilson@mail.maricopa.gov

Name: Helen Dusick Job Title: Management & Budget
Coordinator

Phone: 602.506.3756 Email: HDusick@mail.maricopa.gov

Who would you recommend that we contact for interviews about performance measurement?

Name: Helen Dusick Job Title: Management & Budget
Coordinator

Phone: 602.506.3756 Email: HDusick@mail.maricopa.gov

Name: Don Colvin Job Title: Management & Budget
Coordinator

Phone: 602.506.2385 Email: DColvin@mail.maricopa.gov

Who would you recommend that we contact for interviews about performance audits?

Name: Ross Tate Job Title: Internal Auditor

Phone: 602.506.1588 Email: RTate@mail.maricopa.gov

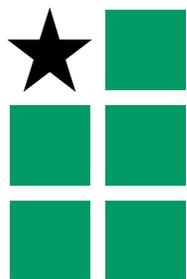
Name: John Schulz Job Title: Performance Measurement
Auditor

Phone: 602.506.1777 Email: jschulz@mail.maricopa.gov

Who would you recommend that we contact for interviews about Budgeting for Results?

Name: Chris Bradley Job Title: Budget Manager

Phone: 602.506.4960 Email: CBradley@mail.maricopa.gov



**GOVERNMENT
PERFORMANCE
PROJECT**

**COUNTY GOVERNMENT SURVEY
COUNTY OVERVIEW SECTION**

April 2001

PLEASE REFER QUESTIONS TO:

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COUNTY OVERVIEW

This section is designed to obtain basic structural information about your county. The facts requested are used to provide background information, and not used for evaluation.

BACKGROUND TO THE GOVERNMENT PERFORMANCE PROJECT

Since 1996, under the auspices of The Pew Charitable Trusts, the Maxwell School of Citizenship & Public Affairs at Syracuse University, in partnership with *Governing* magazine, has rated the management performance of local and state governments and selected federal agencies in the United States. The project, called the Government Performance Project (GPP), is administered by the Maxwell School's Alan K. Campbell Public Affairs Institute.

The project aims to improve the understanding and practice of government management throughout the United States on the city, county, state, and federal levels. It evaluates the effectiveness of management systems by considering government performance in five categories: financial management, human resource management, information technology, capital management, and managing for results. Each category is addressed by a separate section in this survey. For each category, governments are evaluated based on this survey, interviews, and an analysis of published documents.

While the project highlights overall management capacity, it focuses on the role of leadership, the integration of the five categories, as well as the communication of government performance issues to the citizenry.

In 1998 the project studied and rated government performance of the 50 states and 15 federal agencies. The results were published in the February 1999 issues of *Governing* and *Government Executive*. The results were also widely reported by leading print, radio, and television media.

In 1999 the project evaluated government performance in the top 35 U.S. cities by revenue and of five federal agencies. These results were published in the February 2000 issue of *Governing* and the March 2000 issue of *Government Executive*.

In 2000 the GPP reevaluated the 50 states and the results were published in the February 2001 issue of *Governing*. This year the GPP will evaluate 40 county governments.

The Maxwell School will add the data collected to its clearinghouse of information and continue to expand this resource of government management practices. Ultimately, government entities will have the opportunity to learn from one another and exchange valuable information through the efforts of this project.

GPP CONTACT PERSON

For more information on the GPP, please visit our website at: www.maxwell.syr.edu/gpp. If you have any questions regarding this survey or the GPP in general, please direct your inquiries to Anthony Stacy, at gpp@maxwell.syr.edu or 315-443-9707.

DEFINITIONS OF TERMS USED IN THIS SURVEY:

Department: Any administrative subdivision or unit of government (also in some cases called a board, bureau, commission, department, etc.) having the primary purpose of executing some governmental functions or laws. In this survey, “department” is meant to convey a unit that reports directly to the Mayor or Chief Executive Officer.

Executive or Administrative authority: Power to administer local, state, and federal policies, appoint county employees, and supervise program implementation.

Legislative authority: Power to enact ordinances, levy certain taxes, and adopt budgets.

Legislative body: Term used to describe a county’s popularly elected governing board vested with legislative authority over the county. May be referred to as the board of supervisors, county commission, council, or legislature. Some boards or commissions may also be vested with executive or administrative authority.

INSTRUCTIONS FOR FILLING OUT THE SURVEY ELECTRONICALLY:

This document is a Microsoft Word form. A form is a structured document with spaces reserved for entering information. This survey, containing check-boxes and fill-ins, can be viewed and completed in Word.

- *To check a box:* Use your mouse to move the arrow over the box you want to check and click once. To uncheck the box, click again.
- *To enter text in a fill-in box:* Move your mouse over the gray box. The arrow will change to a cursor. Click once to highlight the box. Begin typing. All fill-ins have unlimited capacity.

To enable electronic completion, the file has been password protected. Text can only be written in fill-in boxes. To provide comments on a question, include a separate page of comments with reference to the question number.

If you encounter difficulties completing the survey electronically, you may contact the project manager at (315) 443-9707 for troubleshooting assistance. The document can also be printed and filled in manually.

PLEASE SUBMIT THE FOLLOWING DOCUMENT WITH THE SURVEY:

(Note: If this document is available online, you may simply identify the URL at which it may be found.)

A copy of the organizational chart for the entire county **Maricopa County's dynamic constellation organization chart is attached. A traditional "box and lines" chart is also included for reference.**

PLEASE ANSWER THE FOLLOWING QUESTIONS ABOUT THE STRUCTURE OF YOUR COUNTY:

1. What major functions does your county perform?

- Education
- Public welfare (income maintenance programs)
- Hospital management
- Public health services (outpatient care, other than hospital care, including: research and education, clinics, nursing, environmental health protection, animal control, etc.)
- Housing (projects, assistance, construction, etc.)
- Economic development/job training
- Road construction and maintenance (highways, streets, bridges, tunnels, ferries, turnpikes, street lighting, parking facilities, snow/ice removal, etc.)
- Transit system construction, maintenance, and operation (bus, commuter rail, light rail, subway, etc.)
- Airport construction, maintenance, and operation
- Water transport and terminal construction, maintenance and operation (canals, ports, harbors, docks, etc.)
- Police protection (including traffic safety)
- Correction (jails, probation, parole, etc.)
- Judicial/legal (courts, prosecutorial/defendant programs, juries, probate, etc.)
- Fire protection services
- Natural resources (flood control, agriculture programs, wildlife programs, etc.)
- Parks and recreation (including beaches, zoos, cultural resources, etc.)
- Planning and development services
- Sewerage management
- Solid waste management
- Libraries

- Utility ownership and operation (*Please specify type:* _____)
- Liquor store management
- Other (*Please specify:* Managed Care Health Plans
_____)
- Other (*Please specify:* 1) Recorder (document recording & voter registration);
2) Elections; 3) Assessor (property assessments); 4) Treasurer (tax collection);
5) Superintendent of Schools_____)
- Other (*Please specify:* 1) STAR Call Center; 2) Stadium District
_____)

2. Following are five terms commonly used to describe forms of county government. Using the description and/or qualifying statements below, select the term that *best* describes your county's structure. Your county may use these terms or titles differently, however, please use the definitions provided in the descriptions and statements below and on page 3 when answering this question.

a. **Commission**

Description: The elected legislative body (e.g. council, commission, board of supervisors) has legislative authority as well as executive/administrative authority. Some administrative responsibilities may be vested in independently elected officers, such as a county sheriff, treasurer, coroner, clerk, auditor, assessor, and/or prosecutor.

Qualifying statements: Your county has a "Commission" form of governance if ALL of the following statements are TRUE:

	TRUE	FALSE
Our county is lead by an elected legislative body (i.e. board, commission, council).	<input type="checkbox"/>	<input type="checkbox"/>
Our county does <u>not</u> have an administrative officer or assistant appointed by the legislative body to help carry out the body's responsibilities.	<input type="checkbox"/>	<input type="checkbox"/>
Our county does <u>not</u> have a popularly elected executive or	<input type="checkbox"/>	<input type="checkbox"/>

administrative officer.		
Certain administrative responsibilities may be vested in independently elected officers (e.g. sheriff, clerk, assessor, etc.), but not necessarily.	<input type="checkbox"/>	<input type="checkbox"/>

b. **Commission-Administrator: County Manager**

Description: The elected legislative body appoints a county manager who performs executive functions (such as, appointing department heads, hiring staff, administering county programs, drafting budgets, and proposing ordinances). Of the three forms of “Commission-Administrator” governance, the county manager has the most extensive powers. Some administrative responsibilities may be vested in independently elected or legislative body appointed officers, such as a county sheriff, treasurer, coroner, clerk, auditor, assessor, and/or prosecutor.

Qualifying statements: Your county has a “Commission-Administrator: County Manager” form of governance if ALL of the following statements are TRUE:

	TRUE	FALSE
Our county has a county manager appointed by the legislative body.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Our county manager has executive powers (such as, appointing department heads, hiring staff, administering county programs, drafting budgets, and proposing ordinances).	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Our county does <u>not</u> have a popularly elected executive or administrative officer.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Certain administrative responsibilities may be vested in independently elected officers (e.g. sheriff, clerk, assessor, etc.), but not necessarily.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

c. **Commission-Administrator: Chief Administrative Officer**

Description: The elected legislative body (as the legislative and quasi-executive unit) appoints a chief administrative officer (CAO) to coordinate county departments, prepare budgets, draft ordinances, and oversee program implementation. The legislative body generally retains the power to appoint line department directors, but gives the CAO power to coordinate departments. The CAO has some, but not all the powers of the county manager (see above). Some administrative responsibilities may be vested in independently elected or board appointed officers, such as a county sheriff, treasurer, coroner, clerk, auditor, assessor, and/or prosecutor.

Qualifying statements: Your county has a “Commission-Administrator: Chief Administrative Officer” form of governance if ALL of the following statements are TRUE:

	TRUE	FALSE
Our county has a chief administrative officer appointed by the legislative body.	<input type="checkbox"/>	<input type="checkbox"/>
Our chief administrative officer has some, but not full, executive powers. Powers may include: coordinating county programs under the board’s direction, drafting budgets, and proposing ordinances. The chief administrative officer does not directly supervise most county departments and does not appoint most department directors.	<input type="checkbox"/>	<input type="checkbox"/>
Our county does <u>not</u> have a popularly elected executive or administrative officer.	<input type="checkbox"/>	<input type="checkbox"/>
Certain administrative responsibilities may be vested in independently elected or board appointed officers (e.g. sheriff, clerk, assessor, etc.), but not necessarily.	<input type="checkbox"/>	<input type="checkbox"/>

d. **Commission-Administrator: County Administrative Assistant**

Description: The elected legislative body (as the legislative and executive unit) appoints a county administrative assistant to help carry out the board’s responsibilities. The powers of the county administrative assistant are similar to the chief administrative officer, but the administrative assistant has fewer executive powers. Some administrative responsibilities may be vested in independently elected or board appointed officers, such as a county sheriff, treasurer, coroner, clerk, auditor, assessor, and/or prosecutor.

Qualifying statements: Your county has a “Commission-Administrator: County Administrative Assistant” form of governance if ALL of the following statements are TRUE:

	TRUE	FALSE
Our county has a county administrative assistant appointed by the legislative body.	<input type="checkbox"/>	<input type="checkbox"/>
Our county administrative assistant has few executive powers. The county administrative assistant serves the legislative body by preparing drafts of ordinances, preparing budgets, and following up on administrative action from the board. The administrative assistant does not appoint or directly supervise department heads.	<input type="checkbox"/>	<input type="checkbox"/>
Our county does <u>not</u> have a popularly elected executive or administrative officer.	<input type="checkbox"/>	<input type="checkbox"/>
Certain administrative responsibilities may be vested in independently elected or board appointed officers (e.g. sheriff, clerk, assessor, etc.), but not necessarily.	<input type="checkbox"/>	<input type="checkbox"/>

e. **Council-Executive**

Description: A county executive is independently elected by the people to perform specific executive functions. The legislative body retains legislative authority, but the county executive may veto ordinances enacted by the commission (with the commission usually having two-thirds override power). The county executive has general responsibility for county administration and budget preparation. The county executive provides policy direction to the board, executes acts and resolutions of the board, and appoints and dismisses department heads (usually with board approval). Some administrative responsibilities may be vested in independently elected officers, such as a county sheriff, treasurer, coroner, clerk, auditor, assessor, and/or prosecutor.

Qualifying statements: Your county has a “Council-Executive” form of governance if ALL of the following statements are TRUE:

	TRUE	FALSE
Our county has a popularly elected county executive to lead the executive branch of government.	<input type="checkbox"/>	<input type="checkbox"/>
Our county executive has broad executive powers including: general county administration, budget preparation, appointment and dismissal of department heads, and veto power over the board.	<input type="checkbox"/>	<input type="checkbox"/>
Our county has an elected board which serves as the legislative branch of government.	<input type="checkbox"/>	<input type="checkbox"/>
Certain administrative responsibilities may be vested in independently elected officers (e.g. sheriff, clerk, assessor, etc.), but not necessarily.	<input type="checkbox"/>	<input type="checkbox"/>

f. Please provide any explanatory comments regarding your county’s form of government.

3. Please tell us about so-called “row” officers in your county. Please check the offices that are found in your county. If two or more of the offices listed below are combined (e.g. treasurer and tax collector are same office), please state so in the space provided. Then select whether the office is elected or appointed and the degree of independence the office has from the commission and/or county administrator.

Office found in your county?	Office is combined with or same as...	Elected or Appointed?		Level of independence from board and/or county administrator?		
		Elected	Appointed	Independent	Semi-independent	Not independent
<input checked="" type="checkbox"/> Sheriff		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Coroner		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> County Clerk		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Court Clerk		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> County Recorder		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Auditor		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Registrar of Voters	Recorder	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Treasurer		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Tax Collector	Treasurer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/> Assessor		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<input checked="" type="checkbox"/>	Prosecuting Attorney		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Other: <u>Constables; and Justices of the Peace</u>		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Other: <u>Superintendent of Schools</u>		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	Other: <u>Presiding Judge of the Superior Court</u> (NOTE: <u>Superior Court Judges are elected. From these elected judges, the Arizona Supreme Court appoints a Presiding Judge</u>)		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. How many serve on the legislative body? 5

5. How is the chairperson of the legislative body selected?

- By vote of the legislative body
- By direct vote of the public
- Appointed by the county executive
- Other (*Please specify:* _____)

6. Does your county have a home-rule charter?

- No Yes

If not, does your state allow the adoption of a home-rule charter?

- No Yes

7. What is the last day of your county's fiscal year? June 30th

8. When is your county's budget approved?

- Annually
- Biennially
- Other (*Please specify:* _____)

9. Is there anything else we should know about the government structure in your county?

Maricopa County is truly an exciting place to live and, as an organization, a challenging and dynamic place to work. In many respects, Maricopa County's circumstances are representative of those seen by county governments throughout the United States. Like most counties, over ninety percent of our functions are mandated by state government, and we face constantly increasing demands in the areas of law enforcement and health care. There are, however, some unusual twists to Maricopa County's story.

The biggest and most obvious challenge is that of explosive growth. Maricopa County ranks as either the first or second fastest growing county in the United States in terms of population increases. (Various surveys always seem to place either Maricopa County or Clark County, NV, in the first spot.) In 1900, Maricopa County had fewer than 25,000 residents. By the year 2000, however, we topped 3 million residents. What's more, most of this growth has occurred within the last thirty years -- and the end of this growth cycle is no where in sight. By the year 2040, we are expected to exceed 7 million residents. In a state of just over 5 million total residents, Maricopa County has 65% of the state's population and at the epicenter of Arizona's dynamic development.

While a blessing in many respects, keeping up with this growth has proved to be a substantial challenge to the creativity of Maricopa County government. Maricopa County's voters tend to be fiscally conservative. While certainly not unwelcome, this fact has forced Maricopa County's management to find innovative ways to meet the public's increasing demand for services without raising property taxes and expanding the "size of county government". In fact, Maricopa County's combined primary and secondary tax rate is lower today than a decade ago, and our county government employment base remains at roughly the same level of that in 1991. We are very proud of these accomplishments.

Examples of innovations that have contributed to these accomplishments include: our "STAR Call Center" which handles a massive volume of telephone calls from constituents seeking a variety of public services; a creative public/private partnership that has permitted our Animal Care & Control Services Department to place 18,000 cats and dogs annually in loving homes and significantly reduce the number of euthanized animals; a performance-based, outsourced, management approach to the operation of our health system; and innovative recruitment and total compensation programs within our Human Resources Department. Without these innovations, Maricopa County would not

have been able to maintain its low population-to-expense ratio over the past decade, while at the same time improving results in our customer satisfaction surveys.

Yet another “twist” is the unusual organizational structure of counties in Arizona. First, Arizona counties have a large number of “row” officers who are elected on a county-wide basis: Assessor, Recorder, Superintendent of Schools, County Attorney, Treasurer, Clerk of the Superior Court, and Sheriff. Each row officer maintains a level of policy-making authority commensurate to their status as independently elected, statutory officials. They do, however, look to the Board of Supervisors for budgetary and general administrative policy. They participate in county-managed employee merit systems, payroll and records services, recruitment programs, employee leave, compensation, and benefits plans, procurement systems, and equipment/facilities management. They coordinate at a high level with County administration on information technology strategies.

Secondly, the Maricopa County Board of Supervisors also serves as the statutory funding authority for several governmental entities over which they maintain limited management authority. For example, the Superior Court “in and for Maricopa County” is actually part of the Judicial Branch of the State of Arizona. The employees of the Superior Court (including its Juvenile and Adult Probation Divisions) are technically state employees, and serve under an independent merit system. However, because of the historical problem of funding the operations of the state’s superior court system across great distances, the Territorial Legislature (and later the State’s Legislature) mandated that county governments fund the operations of the superior courts. Despite the fact that the technology is now available to overcome these difficulties, this statutory scheme remains in place today. Other than budgetary controls, Maricopa County government has little authority to control the policy direction of the Superior Court. In spite of this, Maricopa County’s management team and that of the Superior Court have forged a sound working relationship over the past decade that has permitted a very high level of policy and strategic coordination. This has yielded positive results in case processing improvements, moving to high-technology courtrooms, and into integrated information management systems.

Finally, the Board of Supervisors also serves as the statutory “board of directors” for three separate special taxing districts: a Flood Control District; a Library District; and a Stadium District. While legally distinct political subdivisions of the state, their Board of Directors has required that the directors of each district report for administrative purposes through the County Manager. This system ensures a high level of policy and strategic coordination between the Districts and the County’s Administration, and takes advantage of the inherent economies of scale.

Given this unusual organizational structure, Maricopa County, over the past decade, has developed a unique approach to managing county government. In order to avoid treating the “appointed departments” in a dramatically different manner from those of the Superior Court, Elected Officials, and Districts, Maricopa County has developed policies which generally delegate a significant amount of management discretion to each department’s management team. A prime example of this is use of a modified “lump

sum appropriation” budgeting approach which gives departments a great amount of latitude to control the use of their budgets throughout the fiscal year within the discrete categories of personnel, operations, and capital expenses. Similarly, Maricopa County’s innovative application of a hybrid “broadband” compensation system affords departments greater control over their compensation budgets and greater employee accountability through performance-based compensation strategies -- all while still ensuring that raises given in one fiscal year do not create a future fiscal impact that the County cannot afford.

In order to ensure that this greater level of discretion is not abused, Maricopa County has implemented a budget-driven “Managing for Results” initiative. As a result of these changes, Maricopa County’s operations today look more like those of a parent corporation with forty-five subsidiaries than that of a traditional command-and-control governmental authority. This structure is, without question, one that represents a significant challenge to operate. It is also, however, the structure that permits us to be flexible, creative, and capable of quickly addressing the changing and increasing demands of explosive population growth without dramatically increasing property taxes.

Thank you for your valuable assistance in providing this information.

Please provide the names, contact telephone numbers, and email addresses for those who completed this section of the survey:

Name: David R. Smith Job Title: County
Administrative Officer

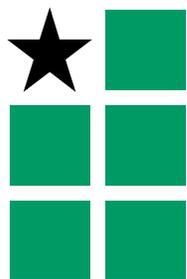
Phone: 602.506.3572 Email: DSmith@mail.maricopa.gov

Name: Sandi Wilson Job Title: Deputy County
Administrator

Phone: 602.506.2623 Email: SWilson@mail.maricopa.gov

Name: Brian Hushek Job Title: Executive Information
Manager

Phone: 602.506.6338 Email: BHushek@mail.maricopa.gov



**GOVERNMENT
PERFORMANCE
PROJECT**

**COUNTY GOVERNMENT SURVEY
FINANCIAL MANAGEMENT SECTION**

April 2001

PLEASE REFER QUESTIONS TO:

Anthony Stacy
Project Manager
Alan K. Campbell Public Affairs Institute
Maxwell School of Citizenship and Public Affairs
Syracuse University
306 Eggers Hall
Syracuse, New York 13244-1090
315-443-9707
gpp@maxwell.syr.edu

FINANCIAL MANAGEMENT

This section is designed to measure the extent to which your county engages in sound financial management practices, including: budget preparation and execution; cash, contract, debt and revenue management; and accounting and financial reporting procedures. Additionally, we seek to understand how your overall financial management system is linked to the achievement of your county's strategic goals and objectives.

BACKGROUND TO THE GOVERNMENT PERFORMANCE PROJECT

Since 1996, under the auspices of The Pew Charitable Trusts, the Maxwell School of Citizenship & Public Affairs at Syracuse University, in partnership with *Governing* magazine, has rated the management performance of local and state governments and selected federal agencies in the United States. The project, called the Government Performance Project (GPP), is administered by the Maxwell School's Alan K. Campbell Public Affairs Institute.

The project aims to improve the understanding and practice of government management throughout the United States on the city, county, state, and federal levels. It evaluates the effectiveness of management systems by considering government performance in five categories: financial management, human resource management, information technology, capital management, and managing for results. Each category is addressed by a separate section in this survey. For each category, governments are evaluated based on this survey, interviews, and an analysis of published documents.

While the project highlights overall management capacity, it focuses on the role of leadership, the integration of the five categories, as well as the communication of government performance issues to the citizenry.

In 1998 the project studied and rated government performance of the 50 states and 15 federal agencies. The results were published in the February 1999 issues of *Governing* and *Government Executive*. The results were also widely reported by leading print, radio, and television media.

In 1999 the project evaluated government performance in the top 35 U.S. cities by revenue and of five federal agencies. These results were published in the February 2000 issue of *Governing* and the March 2000 issue of *Government Executive*.

In 2000 the GPP reevaluated the 50 states and the results were published in the February 2001 issue of *Governing*. This year the GPP will evaluate 40 County governments.

The Maxwell School will add the data collected to its clearinghouse of information and continue to expand this resource of government management practices. Ultimately, government entities will have the opportunity to learn from one another and exchange valuable information through the efforts of this project.

GPP CONTACT PERSON

For more information on the GPP, please visit our website at: www.maxwell.syr.edu/gpp. If you have any questions regarding this survey or the GPP in general, please direct your inquiries to Anthony Stacy, at gpp@maxwell.syr.edu or 315-443-9707.

FINANCIAL MANAGEMENT EVALUATION CRITERIA:

1. Government has a multi-year perspective on budgeting.
 - Government produces meaningful current revenue and expenditure estimates.
 - Government produces meaningful future revenue and expenditure forecasts.
 - Government can gauge the future fiscal impact of financial decisions.

2. Government has mechanisms that preserve stability and fiscal health.
 - Government's budget reflects a structural balance between ongoing revenues and expenditures.
 - Government uses counter-cyclical or contingency planning devices effectively.
 - Government appropriately manages long-term liabilities, including pension funds.
 - Government appropriately uses and manages debt.
 - Government's investment and cash management practices appropriately balance return and solvency.

3. Sufficient financial information is available to policymakers, managers, and citizens.
 - Government produces accurate, reliable, and thorough financial reports.
 - Useful financial data is available to government managers.
 - Government communicates budgetary and financial data to citizens.
 - Government produces financial reports in a timely manner.
 - Government is able to gauge the cost of delivering programs or services.
 - Government budget is adopted on time.

4. Government has appropriate control over financial operations.
 - Government balances sufficient control over expenditures with sufficient managerial flexibility.
 - Government effectively manages procurement, including contracts for delivery of goods and services.
 - Government has recovery plans and programs to support business continuation after a disaster.

DEFINITIONS OF TERMS USED IN THIS SURVEY:

Contingency reserve funds: Any funds (including rainy day funds, but perhaps others) that are set aside during normal times, to be drawn down during times of fiscal stress.

Cost accounting: The gathering and processing of cost information for external reporting and internal decision-making. A key characteristic of cost accounting is the ability to relate costs (including overhead costs, such as those related to budgeting, personnel, or technology) to individual programs or activities.

Department: Any administrative subdivision or unit of government (also in some cases called a board, bureau, or commission etc.) having the primary purpose of executing some governmental functions or laws.

Division: An administrative subdivision of a department (as defined above).

GAAP: Generally Accepted Accounting Principles promulgated by the Governmental Accounting Standards Board.

General obligation debt: Debt issued by a governmental unit that is backed by the full faith and credit of the government (in other words, the debt is to be repaid from general tax revenues).

Line item: Detailed accounting codes attached to spending items. Within the object classification “personnel,” a line item might be “wages and salaries for full-time teachers.”

Object classification: A broad class of spending, such as personnel or travel.

Rainy day fund: A fund that is used for fiscal stabilization, to forestall the need to reduce service levels or raise taxes in the event of temporary revenue shortfalls or unforeseen one-time expenditures. Such a fund is also often called a “stabilization fund” or a “contingency fund.” Rainy day funds are formally separate from the general fund, as legally required reserves. The benchmark for rainy day fund balances is usually 5% of the general fund expenditures. Legislative approval is usually required for withdrawal of these funds.

Revenue debt: Debt issued by a governmental unit that has more limited backing. Usually, this type of debt is to be repaid from revenues generated by the enterprise for which the debt was issued.

Supplemental appropriation: An additional appropriation enacted for a fiscal year (or biennium) that has already begun, for an activity that was under funded, over funded, or unanticipated in the original enacted budget.

Unreserved, undesignated general fund balances: Discretionary reserves that governments use for many purposes, including fiscal stabilization, although they are not formal rainy day funds.

INSTRUCTIONS FOR COMPLETING THE SURVEY ELECTRONICALLY:

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- *To check a box:* Use your mouse to move the arrow over the box you want to check and click once. To uncheck the box, click again.
- *To enter text in a fill-in box:* Move your mouse over the gray box. The arrow will change to a cursor. Click once to highlight the box. Begin typing. All fill-ins have unlimited capacity.

To enable electronic completion, the file has been password protected. Text can only be written in fill-in boxes. To provide comments on a question, include a separate page of comments with reference to the question number.

If you encounter difficulties completing the survey electronically, you may contact the project manager at (315) 443-9707 for troubleshooting assistance. The document can also be printed and filled in manually.

PLEASE SUBMIT THE FOLLOWING DOCUMENTS AND INFORMATION WITH THE SURVEY:

(Note: If these materials are available online, you may simply identify the URL at which they may be found.)

The most recent available copy of all budget documents your county publishes, including (but not limited to) the following: **(A)**

The summary of your county's proposed (or Executive) budget

FY 2001-02 Recommended Tentative Budget. See Attachment FM-Document/Information Requested (A)-1.

FY 2001-02 Tentative Budget. See Attachment FM-Document/Information Requested (A)-2.

A copy of your county's adopted (or actual) budget

FY 2001-02 Final Adopted Budget. See Attachment FM-Document/Information Requested (A)-3.

FY 2000-01 Annual Business Strategies (ABS). See Attachment FM-Document/Information Requested (A)-4.

A set of your county's published financial reports from 1992-2000, preferably Comprehensive Annual Financial Reports; but if your county does not produce CAFR's please send your Annual Financial Reports **(B)**

Please see Attachments FM-Document/Information Requested (B)-1 through (B)-9 for copies of the Maricopa County Comprehensive Annual Financial Reports (CAFR) from 1992-2000.

Any other publicly distributed or available documents that communicate financial information to citizens **(C)**

Maricopa County Citizen's Calendar 2001. See Attachment FM-Document/Information Requested (C)-1.

"Maricopa County Review: A Presentation of the Maricopa County Budget", The Arizona Republic, June 2001. See Attachment FM-Document/Information Requested (C)-2.

State Budget Forms. See Attachment FM-Document/Information Requested (C)-3.

Notice of FY 2001-02 public budget meetings, The Arizona Republic, May 2001. See Attachment Document/Information Requested (C)-4.

- Projections of your county's debt ratios (unless these are included in your CAFR) (D)

Included in CAFR

- Projections of your county's debt capacity (unless these are included in your CAFR) (E)

Included in CAFR

- Copies of the local public finance laws or regulations under which your county operates. If there are no local laws, please provide copies of the state laws that stipulate practice in your county in the areas of contracting, procurement, debt management, investment, and rainy day (or other contingency) funds (F)

Procurement Code. See Attachment FM-Document/Information Requested (F)-1.

Financial Management Statutes and Regulations. See Attachment FM-Document/Information Requested (F)-2.

Budgeting for Results Accountability Policy. See Attachment FM-Document/Information Requested (F)-3.

General Government Policy and Procedures. See Attachment FM-Document/Information Requested (F)-4.

Budgeting for Results Policy Guidelines. See Attachment FM-Document/Information Requested (F)-5.

Reserve and Tax Reduction Policy Guidelines. See Attachment FM-Document/Information Requested (F)-6.

Funded Positions Policy. See Attachment FM-Document/Information Requested (F)-7.

General Fund Vehicle Replacement Policy. See Attachment FM-Document/Information Requested (F)-8.

Managing for Results Policy. See Attachment FM-Document/Information Requested (F)-9.

Petty Cash Policy. See Attachment FM-Document/Information Requested (F)-10.

- Copies of any other formal written financial management policies that pertain to contracting, procurement, debt management, and investment (G)

Debt Management Plan. See Attachment FM-Document/Information Requested (G)-1. Also available at <http://www.maricopa.gov/finance/debtplan/debtplan.pdf>.

- A list of websites that the public can use to find financial information about your county (H)

Maricopa County Department of Finance -
<http://www.maricopa.gov/finance/default.asp>

Maricopa County Office of Management and Budget -
<http://www.maricopa.gov/budget/default.asp>

Maricopa County Materials Management Department -
<http://www.maricopa.gov/materials/default.asp>

Maricopa County Risk Management Department -
<http://www.maricopa.gov/riskmgt/default.asp>

Maricopa County Treasurer's Office -
<http://treasurer.maricopa.gov/default.asp>

Maricopa County Citizens Summary Financial Report, June 30, 2000 -
<http://www.maricopa.gov/finance/popular.asp>

2000 County Tax Rates -
<http://www.maricopa.gov/finance/taxrate/taxrate.pdf>

Ellito D. Pollack & Co., Economic Consultant for Maricopa County -
<http://www.arizonaeconomy.com/index.asp>

(I) The following items are attached as a general reference:

Informational flier highlighting the Internal Audit Department's receipt of National Association of local Government Auditors' (NALGA) Special Project Award for 2000. See Attachment FM-Document/ Information Requested (I)-1.

Sample Internal Audit Progress Report (July 2001). See Attachment FM-Document/ Information Requested (I)-2.

Maricopa County 2000 Tax Levy. See Attachment FM-Document/ Information Requested (I)-3.

Maricopa County Medical Center Report on Audit of Financial Statements (June 30, 2000). See Attachment FM-Document/ Information Requested (I)-4.

Maricopa County AHCCCS and ALTCS Plans Report on Audit of Financial Statements (June 30, 2000). See Attachment FM-Document/ Information Requested (I)-5.

Internal Audit Financial Condition Report, FY 1998-99. See Attachment FM-Document/ Information Requested (I)-6.

Maricopa Integrated Health System May 2001 Financials. See Attachment FM-Document/ Information Requested (I)-7.

Maricopa County Economic Outlook (June 27, 2001), Elliot D. Pollack & Co. See Attachment FM-Document/ Information Requested (I)-8.

Investment Goals and Objectives. See Attachment FM-Document/ Information Requested (I)-9.

Maricopa County Treasurer Investments Portfolio Report (April 30, 2001). See Attachment FM-Document/ Information Requested (I)-10.

Sample Monthly Discount Summary. See Attachment FM-Document/ Information Requested (I)-11.

Sample FY 2000-01 Monthly Financial Report (April 2000). See Attachment FM-Document/ Information Requested (I)-12.

Letter concerning the April distributions to the Maricopa County Stadium District. See Attachment FM-Document/ Information Requested (I)-13.

PLEASE ANSWER THE FOLLOWING QUESTIONS ABOUT FINANCIAL MANAGEMENT:

General note: Where this survey requests figures for FY2001, please provide estimates if actual figures are unavailable. In each case, note whether the figure you have provided is actual or estimated.

PART 1: BUDGETING, ACCOUNTING, AND FINANCIAL REPORTING

1. Please provide the following estimated and actual figures for revenues and expenditures for your county's general fund. Please report these figures separately for federal and state intergovernmental funds and own-source funds for fiscal years 1998 through 2001.

Please note: These figures should include only current year revenues, and not any carry forward balances. The estimated column should reflect the last estimate that was made prior to the adoption of the budget.

FY	Source	Estimated Revenues	Estimated Expenditures	Actual Revenues	Actual Expenditures
01	Federal Intergovernmental	\$78,000	\$78,000	\$78,000	\$78,000
	State Intergovernmental	\$411,787,025	\$411,787,025	\$411,787,025	\$411,787,025
	Own-source	\$286,233,138	\$202,957,485	\$286,233,138	\$202,957,485
00	Federal Intergovernmental	\$78,000	\$78,000	\$89,979	\$89,979
	State Intergovernmental	\$364,351,806	\$364,351,806	\$398,401,277	\$398,401,277
	Own-source	\$270,437,180	\$263,286,575	\$274,053,313	\$113,717,593
99	Federal Intergovernmental	\$68,800	\$68,800	\$140,571	\$140,571
	State Intergovernmental	\$332,935,498	\$332,935,498	\$361,852,983	\$361,852,983
	Own-source	\$258,590,220	\$347,941,878	\$268,779,400	\$300,037,416
98	Federal Intergovernmental	\$72,000	\$72,000	\$137,763	\$137,763
	State Intergovernmental	\$312,773,599	\$312,773,599	\$325,464,773	\$325,464,773
	Own-source	\$255,151,557	\$309,060,054	\$247,846,778	\$280,932,018

2. What significant county activities are funded outside the general fund?

Maricopa Integrated Health System (MIHS) (26% of total budgeted expenditures): MIHS is an integrated system that includes the Maricopa Medical Center, eleven primary care centers, and four managed-care plans, nearly all of which are financially managed as enterprise funds. The managed care plans include Maricopa Health Plan and the Long Term Care Plan, which are program contractors to the Arizona Health Care Cost Containment System (AHCCCS), the State of Arizona's Medicaid program. The Medical Center and clinics, along with a network of contracted providers, provide high quality, cost-effective medical and long-term care services to plan members and the community. They operate the only accredited Burn Center in the State. Maricopa Medical Center also provides a unique venue for professional medical education.

Transportation Fund (6% of total budgeted expenditures): The Maricopa County Department of Transportation (MCDOT) plans and implements an environmentally-balanced multi-modal transportation system that provides local transportation in unincorporated areas and meets regional transportation needs throughout the County. Operations and capital improvement projects are funded primarily by apportioned state-shared highway user revenues, which include state gas taxes.

Flood Control District (5% of total budgeted expenditures): The Maricopa County Flood Control District provides flood control facilities and regulates floodplains in order to protect lives and property throughout Maricopa County. Operations and capital improvements are funded mainly by a secondary property tax levy.

Detention Fund (5% of total budgeted expenditures): This fund was established under the authority of propositions 400 and 401, which were approved by County voters in 1998. These propositions authorized a 1/5 cent jail excise tax that sunsets after nine years or \$900 million. The jail excise tax is to be used for construction and operation of new adult and juvenile detention facilities, along with crime prevention programs and alternatives to incarceration. The enabling statute requires the County to fund current detention operations out of this fund, supported by a formula-driven "maintenance of effort" transfer from the General Fund. Because the Jail Excise Tax is essentially a non-recurring revenue, the Board of Supervisors has set a policy of supporting all current and new jail and juvenile detention operating costs from the General Fund, even if this requires a General Fund contribution greater than the statutory maintenance of effort amount (see Budgeting for Results Policy Guidelines, Attachment FM-Documents/Information Requested (F)-5).

Public Health (2% of total budgeted expenditures): Public Health protects, improves and preserves the physical, mental and social well-being, and environment of the entire population of Maricopa County with a special responsibility to serve those most vulnerable. While a significant portion of Public Health's operations are supported by the General Fund, most expenditures are funded by federal and state grants.

Environmental Services (1% of total budgeted expenditures): Environmental Services regulates activities that affect environmental quality in the region. Major programs include air quality and environmental health permitting, which are supported by permit fee revenues and grants.

Human Services, Housing & Community Development (3% of total budgeted expenditures): These three departments administer a variety of federally-funded programs, including Head Start, in coordination with municipalities.

3. Did actual expenditures exceed estimated expenditures by more than 2% for any county department last year? If so, please identify the department (or departments) and explain the reason(s) for the difference between estimated and actual expenditures.

In FY 1999-00, actual expenditures exceeded appropriations for the following departments/funds:

Animal Control/General Fund - Actual expenditures of \$236,331 exceeded the appropriation level of \$229,035, for a negative variance of \$7,296 (3.2%). The Animal Control overrun was due to an error in estimating County versus municipal shares of total program costs. The Animal Control General Fund budget for FY 1999-00 was to provide animal control services within the unincorporated areas of the County. Unfortunately, the overrun was not apparent until after the close of the fiscal year, at which point the Board of Supervisors could not legally adjust budgets. This department has been placed on line-item review in accordance with the Board's Budgeting for Results Accountability Policy (see Attachment FM-Document/Information Requested (F)-3).

Stadium District/Bank One Ball Park Capital Reserve - Actual expenditures of \$37,795 exceeded a budget of \$3,500, an overrun of \$34,295. The Stadium District received a special sales tax for construction of the Bank One Ballpark until FY 1997-98, at which point the tax sunsetted. Toward the end of FY 1999-00, the Arizona Department of Revenue paid a refund of prior years' taxes to certain taxpayers, and a portion was assessed from the Stadium District. The refund had to be posted as an expense to the District, and was not avoidable or controllable. The Stadium District was notified of the refund very late in the fiscal year, and the impact of this unusual transaction on the District's budget was not determined until after the year-end close, when the proper accounting of the refund was finalized. It was too late at that point to request a budget

increase from the District Board of Directors (see letter from Department of Revenue, Attachment FM 3-1).

4. On what dates were the budgets for the past five fiscal years approved?

FY	Date of county legislative body approval	Date of state approval (if required)
2001	June 22, 2000	N/A
2000	June 21, 1999	N/A
1999	June 22, 1998	N/A
1998	June 23, 1997	N/A
1997	June 17, 1996	N/A

5. Were any of the following actions taken during any of the past three fiscal years in order to balance the general fund budget? (Note: For each, please indicate the dollar amount used. If 2001 figures are unavailable, please provide estimates and send us actual figures when they are available.)

ACTION:	FY2001	FY2000	FY1999
Use of carry-forward balances in the general fund	\$0	\$0	\$0
Non-routine transfers from other funds	\$0	\$0	\$0
Sale of assets	\$0	\$0	\$0
Reduction of contributions to pension funds	\$0	\$0	\$0
Use of emergency or contingency funds	\$0	\$331,294	\$0
Delay of bills	\$0	\$0	\$0

Short-term borrowing	\$0	\$0	\$0
Use of other non-recurring resources	\$0	\$0	\$0

Please explain the extent to which these resources were used to finance ongoing versus one-time expenditures.

Maricopa County has followed a strict policy of maintaining structurally-balanced budgets (see Budgeting for Results Policy Guidelines, Attachment FM-Document/Information Requested (F)-5). In FY 1999-00, a late reduction in Net Assessed Values resulted in a small change in the primary property tax levy compared with the amount estimated when the budget was adopted in June. In order to maintain its structural balance, the total General Fund operating budget was adjusted by reducing General Contingency by the amount of the reduction in the tax levy, \$331,394. This was an unavoidable event. Until Fiscal year 2000-01, the statutory property tax calendar required Maricopa County to adopt the property tax levy in late August, even though the budget was adopted in June. The laws have since been changed, and this year the County property tax levy was adopted on June 27.

6. If your county ran a general fund surplus in the most recently completed fiscal year, how did it use these funds?

Our conservative approach to estimating revenues, and our achieved expenditures savings, has resulted in accumulated savings in the General Fund. These accumulated savings have been specifically appropriated in a deliberate manner for non-recurring uses, clearly designated in the budget as "Appropriated Fund Balance" (see "Consolidated Revenues and Expenditures by Category" in the FY 2000-01 Annual Business Strategies, page 21, Attachment FM-Document/Information Requested (A)-4). Appropriated Fund Balance has been used primarily for major capital investments, including funding of the pay-as-you-go capital improvement program and major technology investments. As an example, the entire \$12.8 million General Fund cost for "Y2K" system modifications, and most of the 800mhz radio system conversion were financed through Appropriated Fund Balance. Capital improvements funded through Appropriated Fund Balance address critical facility needs and/or will relieve the County of future obligations for leased space.

For FY 1999-00, the total General Fund surplus was \$98.0 million. Of this amount, \$87.9 million was anticipated at the time of FY 1999-00 budget adoption. Of the \$87.9 million surplus, \$11.3 million was used to increase the designated balance necessary to eliminate the need for cash-flow borrowing, and the remaining \$76.6 million was

allocated to Appropriated Fund Balance, which totaled \$120.2 million and included FY 2000-01 estimated net operating revenues of \$43.6 million (see page 55 of the FY 2000-01 Annual Business Strategies, page 21, Attachment FM-Document/Information Requested (A)-4). FY 2000-01 Appropriated Fund Balance was allocated to \$36.5 million in new and carry-forward one-time expenditures, and a transfer of \$83.7 million to the Capital Improvement Program/"Rainy Day" reserve. The remaining \$10.1 million of FY 1999-00 General Fund surplus was identified during the audit after adoption of the FY 2000-01 budget, and has been allocated to Appropriated Fund Balance for FY 2001-02.

7. Please provide the following information for each of your top three tax structures:

Tax name: State Shared Transaction Privilege Tax (Sales Tax)

FY	Rate	Total Receipts (\$)
2001	State Shared	\$327,549,752 (projected actual)
2000	State Shared	\$309,009,200
1999	State Shared	\$279,812,954
1998	State Shared	\$257,643,630
1997	State Shared	\$242,444,676

Tax name: Property Tax (combined primary, debt service, Flood Control and Library)

FY	Rate	Total Receipts (\$)
2001	\$1.5748/\$100	\$302,546,405 (adopted levy)
2000	\$1.6248/\$100	\$296,029,480
1999	\$1.6475/\$100	\$273,423,421
1998	\$1.6475/\$100	\$256,680,131
1997	\$1.6475/\$100	\$240,138,668

Tax name: State Shared Vehicle License Tax

FY	Rate	Total Receipts (\$)
2001	State Shared	\$97,557,090 (projected actual)
2000	State Shared	\$94,431,066
1999	State Shared	\$84,021,288
1998	State Shared	\$68,309,110
1997	State Shared	\$64,600,858

8. Please provide the following information comparing General Fund revenues, expenditures, and the unreserved, undedicated balance *on a GAAP basis*.

Note: By “unreserved, undesignated balances” we are referring to discretionary reserves. Some governments use such funds for fiscal stabilization purposes, but they are not formal rainy day funds. This figure should not include rainy day funds or other reserved or formal contingency funds.

FY	General Fund GAAP Revenues	General Fund GAAP Expenditures	Unreserved, Undesignated Balance
2001	\$698,048,163 (Budget)	\$616,553,207 (Budget)	\$67,700,000 unreserved; \$0 undesignated (Budget)
2000	\$672,544,570	\$512,208,850	\$154,436,197 unreserved; \$98,036,197 undesignated
1999	\$631,772,954	\$662,030,970	\$140,716,861 unreserved; \$87,412,364 undesignated
1998	\$573,449,314	\$606,534,554	\$107,517,591 unreserved; \$62,037,303 undesignated
1997	\$557,739,260	\$560,730,857	\$78,148,684 unreserved

9. Please answer the following questions about rainy day funds in your county. (*If your county does not use rainy day funds, skip to part ‘e’ of this question.*) Please attach copies of any legislation that governs rainy day funds.

Note: By “rainy day fund” we mean a fund that is used for fiscal stabilization, to forestall reducing service levels or raising taxes in the event of temporary revenue shortfalls or unforeseen one-time expenditures. Such a fund is also often called a “stabilization fund” or “contingency fund.” For a more detailed definition, see page 4.

- a. Is a rainy day fund a legal requirement in your county?

No Yes

If so, what is the minimum requirement for the fund level? \$ _____

b. Is the allowable fund balance capped?

No Yes

If so, at what level? \$ _____

c. Whose authorization is required to use your county's rainy day funds? Please describe the authorization process, *or attach relevant policy documents.*

Funds set aside for fiscal stabilization may only be used as appropriated by the Board of Supervisors. Such approval would be given through the annual budget process, or the normal process for amendment after budget adoption.

Maricopa County's approach to maintaining "rainy day funds" is outlined in the Maricopa County Reserve and Tax Reduction Policy (Attachment FM-Document/Requested (F)-6). The purpose of this policy is to provide for long-term financial stability and low, sustainable tax rates through responsible use of non-recurring resources, appropriate and minimal use of debt, and maintenance of reserve funds. The Policy provides that unreserved beginning fund balances may be used to acquire assets, retire debt, or provide for fiscal stabilization during economic downturns.

Maricopa County presently maintains a Capital Improvement Program Debt Service Fund that provides a reserve for fiscal stabilization. Over the past three fiscal years, the County has been accumulating General Fund budget savings and proceeds from higher-than-normal revenue growth, along with expenditure savings, to fund a \$238 million "pay-as-you-go" capital improvement program, allowing the County to avoid increasing the tax burden through general obligation bond issues. CIP expenditures are being funded up front by issuance of Certificates of Participation (COP's), while the reserve will be drawn down gradually for the annual COP debt service. This method of financing allows the accumulated funding to be maintained as a "rainy day" fund in case of a sudden economic downturn or unavoidable expenditure increase. The FY 2001-02 budget anticipates a balance of \$176.2 million (excluding amounts formally pledged for repayment of the debt), amounting to 21.7% of total General Fund budgeted expenditures.

- d. After a rainy day fund is used, from what source is it replenished and how is this accomplished?

Maricopa County has not had to use its fiscal stabilization fund. If any portion or all of the fund were used for fiscal stabilization, the balance would be replenished by setting aside increased revenues through the budget process.

- e. Please provide the actual balance maintained in your county's rainy day funds at the end of each of the following fiscal years.

FY2001 \$ 124,270,191

FY2000 \$ 45,298,088

FY1999 \$ 4,072,379

FY1998 \$ NA

FY1997 \$ NA

- f. Please describe any other reserves or mechanisms that your county has to assist you in the event of an economic decline or other contingency (for example, emergency reserve, natural disaster, or self-insurance funds). In particular, please tell us the fund name, purpose, source, balance, and rules that govern its use.

Maricopa County maintains several other reserves that can assist us in the event of a sudden economic downturn or other emergency. These reserves include the following:

General Fund Balance Designated for Cash Flow - The General Fund experiences fluctuations in its cash balance during the fiscal year, primarily due to the property tax collection cycle. Property taxes are due on November 1st and May 1st, resulting in significant cash inflows in October and April, while expenditures are relatively constant month by month. Consequently, General Fund cash position can reach a very low level at the two points during the year prior to these property tax infusions.

Maricopa County therefore maintains cash reserves (referred to as the "minimum fund balance designated for cash flow") at a specific level to carry through to the next property tax cash infusion without the use of short-term borrowing. The Reserve and Tax Reduction Policy requires that: "Reserves will be designated for

elimination of cash flow borrowing in the General Fund and in other funds as necessary" (FM-Document/Information Requested (F)-6). During the budget process, the amount required in the upcoming fiscal year for the cash flow reserve is formally estimated by the Finance Department and provided to the Office of Management and Budget for use in developing the budget (see Attachment FM-Document/Information Requested (A)-3, pages 284-285). This reserve has allowed the County to meet its General Fund operational expenditures without short-term borrowing since FY 1995-96.

In times of fiscal need, the cash flow reserve would be available to stabilize revenue shortfalls or manage other unforeseen expenditures. If the reserve were to be used for such purposes, short-term borrowing might be necessary until cash reserves could be replenished during succeeding budget cycles. The General Fund minimum balance for cash flow is \$67.7 million for FY 2000-01 (8.1% of General Fund expenditures), and will be increased to \$76.0 million (9.3%) for FY 2001-02. The County hedges its position further by maintaining a \$35 million line of credit, which can be used at any time to float cash shortages during low points in the revenue collection cycle if it becomes necessary to use our established minimum fund balance for economic stabilization.

Appropriated Contingencies - A number of funded appropriated contingencies are set aside within the overall County budget. In the General Fund, the General Contingency appropriation is set at \$14.4 million for FY2001-02, increased from \$12.0 million in FY 2000-01. In addition, a \$2 million contingency is budgeted within the Detention Fund to cover the portion of that fund's activities that are supported by a "maintenance of effort" transfer from the General Fund. Combined, the General and Detention Fund Contingencies equal 2% of total budgeted General Fund expenditures (including Appropriated Fund Balance). General Contingency can be used with Board approval to cover unanticipated expenditure needs or revenue shortfalls. General Contingency is planned for in the annual budget process, and has been maintained at between 1.5% and 2.0% of General Fund expenditures over the last five years (see General Government Policy and Procedures B1005, Attachment FM-Document/Information Requested (F)-4).

Besides General Contingency, the FY 2001-02 Budget includes an additional \$14.7 million in contingency funding that is reserved for specific issues. These include: \$7 million reserved for salary adjustments based on completed compensation studies; \$2.7 million for Court-related projects; and \$5 million for various other supplemental funding requests, or "Results Initiatives". The Office of Management and Budget will analyze each of these issues, and may recommend appropriations transfers to the Board of Supervisors if warranted. It is not unusual to have a large portion of the reserved contingency funds that is not distributed by fiscal year-end.

The FY 2001-02 budget also includes funded contingency appropriations for capital improvement projects. CIP contingencies include \$10.0 million for Detention Fund capital projects, \$6.3 million for the General Fund CIP, \$4.9 million for Transportation and \$3.1 million for Flood Control. These contingencies are

itemized in the Capital Improvement Program as "project reserves" (see Capital Improvement Projects by Department, Attachment FM-Document/Information Requested (A)-3, pages 111-116).

Self Insurance Trust Fund - The purpose of the Risk Management Self-Insurance Trust Fund is to provide payment for and fund auto liability, general liability, workers' compensation, medical malpractice, auto physical damage, property and unemployment claims on an annualized basis and to reserve against future liabilities.

The trust is funded through an allocation plan that assesses each County department for the cost of risk through internal service fund charges (see Attachment FM-9.f.-1). The total amount charged is determined by an annual, independent actuarial study that projects the cost of paying the County's future claims (see Reserves and Projections as of June 30, 2000, Attachment FM 9.f.-2. The projected payments are used to set the Risk Management budget. Payments into the fund are established at a level sufficient to begin each fiscal year with a balance that can fund estimated actual claims expenses and insurance premiums for the following two fiscal years. At the close of FY 1999-00, the cash balance of the trust was \$19,878,864 (see Self Insurance Audited Financial Statements, Attachment FM-9.f.-3).

Use of the Self-Insurance Trust Fund is governed by a Declaration of Trust (see Attachment FM-9.f.-4). The Trust administrator, pursuant to authorized payment levels, administers payments from the Trust. The Board of Supervisors has ultimate authority for all payments from the Trust. An independent audit of the Trust is conducted annually. The County also maintains supplemental insurance coverage for losses that exceed \$1 million.

10. Please answer the following questions about projections *for the new budget*.

a. Who in your county government is responsible for making these projections?

The Office of Management and Budget (OMB) is responsible for preparing revenue projections. Projections for major General Fund revenues are developed by a local economic forecasting firm, Elliott D. Pollack & Co., under contract with Maricopa County (see Attachment FM-10.1.-1). Property tax assessed values for the upcoming fiscal year are estimated by the Maricopa County Assessor's Office, and OMB estimates the tax levy under various tax rate scenarios for consideration by the Board of Supervisors. Interest revenue is projected by the Department of Finance based on anticipated fund balances and distribution of calendarized expenditures. Departments initially develop projections for program revenues; OMB reviews and, as necessary, adjusts departments' projections.

b. What method is used to calculate these projections?

A variety of methods are used to project County revenues for the upcoming fiscal year. The level of sophistication in the projection methods varies with the magnitude and complexity of the revenue source. State-shared sales taxes, state-shared vehicle license taxes, and property taxes make up almost 90% of total General Fund revenue, and forecasts of these revenue sources are developed by our outside economic forecasting firm using sophisticated econometric models (see State Shared Sales and Vehicle License Tax Forecasts on pages 48 & 49 in the FY 2001-02 Adopted Budget, Attachment FM-Document/Information Requested (A)-3). Econometrically-driven forecasts of relevant indicators, such as population, inflation, and others, are often used to estimate revenues from fees and permits.

Pursuant to Board of Supervisors' policy, OMB estimates revenues conservatively so that the probability of revenues exceeding budget is much greater than the probability of revenues coming in under budget (see Budgeting for Results Policy Guidelines, Attachment FM-Document/Information Requested (F)-5). Projected major revenues are provided by our consulting economist under both "most likely" and "pessimistic" scenarios; for budgeting purposes, OMB usually adopts the mid-point between the two projections, resulting in moderately conservative revenue estimates. On a few occasions when there appeared to be higher risk of a revenue shortfall, OMB has adopted the "pessimistic" forecast amount.

c. Does this method involve a consensus process with the county's legislative body?

No Yes

d. Does the revenue estimate serve as a cap to spending?

No Yes

e. How are these projections shared with the public? (*Check all that apply.*)

- Only used internally
- Released to the news media
- Posted on the county's website
- Readily available in published documents on request
- Automatically distributed to citizen groups
- Other (*Please explain.*)

In May, revenue projections are presented with the Recommended Budget to the Board of Supervisors at a televised public meeting. Between tentative and final adoption of the budget, public meetings are held in each of the five Supervisory districts, and revenue projections are prominently included in the presentation. The Office of Management and Budget and the County Administrative Officer also make a detailed budget presentation during this period to the Arizona Tax Research Association, a private watch-dog group (see presentation of the Recommended Tentative Budget to the Board of Supervisors, Attachment FM-10.e.-1).

f. How frequently are these revenue and expenditure projections typically updated during the fiscal year?

Major revenue forecasts are updated quarterly.

g. Are the updated projections formally adopted?

No Yes

11. Please answer the following questions about projections *for future years*.

a. What kind of future revenue and expenditure projections are made in your county and what span do they cover?

The Office of Management and Budget prepares a 10-year financial forecast for the General Fund and several other major funds, including all funds that receive property taxes. Forecasts of the property tax base and other major revenues, along with key economic and demographic variables, are developed by an outside consultant economist using advanced econometric methods. These forecasts are provided in both "most likely" and "pessimistic" scenarios (see Annual Business

Strategies, pages 606-625, Attachment FM-Document/Information Requested (A)-4). Our consultant economist, Elliott D. Pollack, makes an annual forecast presentation at a public Board meeting around the time of property tax levy adoption.

OMB combines the economist's forecast data with base-line revenue and expenditure data from the current budget, and applies various assumptions relative to expenditures and tax rates. For example, the impact of current capital improvement projects on future operating expenditures is included in forecasted expenditures. OMB prepares different forecast scenarios to reflect the impact of Board of Supervisors' future policy choices and other potential circumstances, including changes in state mandates.

The ten-year forecast has been used as a means of estimating the probable long-term impact of current policy decisions, such as tax rate reductions and proposed major capital projects. A recent example was the policy decision to forgo using jail excise tax revenues to fund new jail and juvenile detention operating costs. When the tax was authorized by the Arizona Legislature for a fixed amount rather than as an ongoing revenue source, the forecast was extended to beyond the term of the jail excise tax sunset date in order to determine if forecasted revenues from existing General Fund sources could support the anticipated cost of operating new jail and juvenile detention facilities (see Attachment FM-11.a.-1).

- b. Are these internal projections or are they shared with the public and other governmental bodies?

For internal use Shared publicly

12. Please answer the following questions about accounting.

- a. What basis of accounting is used for your county's budget for the general fund?

Full accrual
 Modified accrual
 Cash
 Other (*Please explain.*)

- b. When does your county recognize revenues in the budget for the general fund?

Revenues are recognized when they become measurable and available. The General Fund is a governmental fund type and the County utilizes the “flow of current financial resources” as a measurement focus. This requires that financial activity within the fund be recorded on a modified accrual basis of accounting.

“Measurable” means the amount of the transaction can be determined and “available” means that the revenue will be collected within the current period or soon enough after to be used to pay liabilities of the current period. General Fund revenues susceptible to accrual are property taxes, state-shared sales and vehicle license taxes, and interest income. Revenue from licenses and permits, charges, fees and fines or other miscellaneous program revenues are normally recorded when received since they are generally not measurable until that time.

- c. When does your county recognize expenditures in the budget for the general fund?

Expenditures are recognized when the related fund liability is incurred. Essentially, this means that an expenditure will be recognized in the fund when an event or transaction is expected to draw upon current available resources.

- 13. Please answer the following questions about cost analysis in your county.

- a. Please describe the extent to which your county uses activity-based cost accounting.

Activity-based cost accounting is used at various organizational levels within the County, and current efforts will be greatly expanded as our Managing for Results Initiative matures. Current efforts focus on allocating overhead or indirect costs both across and within funds, and developing fees and charges that reflect full cost recovery. Cost analyses are carried down to specific programs, activities and services within departments in order to establish fees charged to the public and other public entities, as well as certain internal service charges between County departments. The following are specifics about current and future activity-based cost accounting processes employed at Maricopa County:

Central Service Cost Allocation - A detailed activity-based cost accounting analysis is conducted annually to assign central service department costs to specific non-General Fund departments on a full cost basis in order to establish the amounts these

departments and funds will be assessed by the General Fund. A similar analysis is conducted following Federal guidelines (OMB Circular A-87) to estimate indirect cost recovery for applicable Federal and State grant programs (see Central Service Cost Allocation Plan, Attachment FM -13.a.-1).

Internal Service Charges - Departments such as Equipment Services, Risk Management and Telecommunications operate as internal service funds, and all use various activity-based cost accounting models to develop services charges for the user departments.

External Fees and Charges - Operating departments (non-central service and non-internal service) also use activity-based cost accounting methodologies to develop fee schedules. In many cases, departments have employed outside consultants to develop initial cost models, and update them annually or less frequently as necessary. These cost analyses allow the County to recover its costs on a fair and equitable basis, while tracking changes in costs over time.

Two notable examples of departments that conduct annual detailed activity-based cost accounting analyses are the Sheriff's Office and the Animal Care and Control Services department. The Sheriff's Office annually updates its cost-allocation models in order to calculate per diem rates for jail inmate housing and booking, as well as local law enforcement services. These per diem rates are used to charge municipalities for booking and housing their inmates in the County's detention facilities; the higher booking fee has encouraged cities and towns to employ alternatives to booking arrestees into jail, and has thereby helped alleviate jail overcrowding problems (see Harvey M. Rose Accountancy Corp. Report on Jail Per Diem methodology, Attachment FM-13.a.-2, and Maricopa Association of Governments' Review, Attachment FM-13.a.-3). The Sheriff's Office employs similar cost models to calculate charges to cities and towns who contract for local law enforcement. Animal Care and Control assigns their cost of operations each year utilizing various activity levels (number of licenses, adoptions, vaccinations, spay/neuter procedures, euthanasias, field service calls, etc.) to establish rates for charging other municipalities and the public for their services (see DMG Report, Attachment FM-13.a.-4).

Future County-Wide Activity-Based Cost Accounting - To support the comprehensive Managing for Results (MfR) initiative, Maricopa County is currently finalizing a major management and financial accounting initiative to develop an activity-based cost accounting model that will capture all County services. We have established cost centers within our budget and financial systems to collect expenditure activity at the program, activity and service levels, as defined in departments' strategic plans. These Program/Activity/Service (P/A/S) costing centers will be implemented county-wide for collection of direct cost information beginning July 1, 2001. Over the next two to three years, a comprehensive activity-

based costing system will be developed to allocate full indirect costs by P/A/S. Once the MfR program is fully implemented, this new information will either supplement or completely replace the current activity-based cost accounting models. The new process will be more comprehensive, more timely, and will allow reporting of efficiency measures for all activities and programs on a "full cost" basis.

b. Please describe the extent to which your county calculates unit costs.

All current and planned activity-based costing analysis involve detailed unit cost analysis. Following are specific unit cost calculations that are developed throughout the activity-based cost accounting processes described in section (a).

Central Service Cost Allocation:

- Cost per Full Time Equivalent, recruitment or payroll check is used for allocation of payroll administration, management oversight and policy development costs.
- Cost per Personal Computer, data port or phone port is used for allocation of technology and telecommunication costs.
- Cost per payment, financial transaction, or fixed asset is used to allocate general accounting and financial costs.
- Cost per procurement is used to allocate materials management costs.
- Cost per square foot is used to allocate facilities management costs.

Internal Service Funds:

- Equipment Services: Internal service charge rates are based on unit costs of new vehicle purchases, motor-pool use, labor, parts and supplies, and fuel.
- Telecommunications: Use of telephone, data, and wireless networks are charged on a unit-cost-per-month basis. Voice and data networks unit costs are calculated by "port", while for the wireless network unit costs are calculated per radio. The total annual cost to operate each network (both direct and allocated indirect) is divided by the number of units in operation on that system to determine the cost for charge back. An inventory system is maintained for radio equipment that provides radio counts by department, and the telephone accounting system provides monthly counts of telephone ports.

Sheriff:

- Detention Services: Unit costs for inmate booking and detention in County jails is calculated on a per diem basis.

- Local Law Enforcement Services: Unit costs for patrol services provided by the Maricopa County Sheriff's Office are calculated on the basis of cost per patrol beat (see example of per beat cost analysis, Attachment FM-13.b.-1).

Animal Care and Control:

- Unit costs are estimated for animal adoptions, kennel permits, euthanasia, spay/neuter, and dead animal pick up.
- Unit costs for animal control field services are based on full cost per Animal Control Officer FTE, as the basis for allocation of costs to cities and towns.

- c. Please describe the extent to which your county allocates indirect costs.

Central Service Cost Allocation: County central service departments essentially represent the governing and administrative bodies of the County. These include the Board of Supervisors, County Administrative Officer, Office of Management and Budget, Department of Finance, Human Resources, Internal Audit and other service departments charged with overall policy and fiscal management of the County's resources. Aside from its primary role in allocating indirect costs across funds, the Central Service Cost Allocation process provides valuable information on the relationship between direct and indirect (or "overhead") costs throughout the County. Additionally, the County can augment or down-size central service departments if major functions are added to the County structure, or are transferred to another entity; adjustments can also be made when central service functions are delegated to the department level. As discussed in section (a), the Central Service Cost Allocation is updated annually on a county-wide level by the Department of Finance, and charges to user departments are established through the budget process.

Individual departments allocate their internal, departmental indirect costs to various projects and programs using a variety of methodologies, as necessary, to meet their specific needs. Some of these allocations are made to distribute internal indirect costs to capital projects, locations and major programs. The methodologies used by the internal departments are similar to the methodologies used to develop county-wide cost allocations in the Central Service plan.

Specific indirect cost plans are also annually developed for all departments that manage grant funds. These plans are completed and approved by grantors to help facilitate recovery of County indirect costs associated with managing the grant programs (see example from Juvenile Probation, Attachment FM-13.c.-1).

- d. For what purposes does your county use cost analysis? *(Please check all that apply.)*
- Our county does not use cost analysis.
 - Cost analysis is used in setting user fees.
 - Cost analysis is used in making decisions about contracting out.
 - Cost analysis is used in management research (such as business process reengineering, flexible budgeting, etc.).
 - Cost analysis is used in budget preparation.
 - Cost analysis is used in performance measurement.

14. Please answer the following questions about appropriations.

- a. At what level are funds appropriated?

- Department
- Division
- Program
- Object classification (i.e. at the level of broad classes of spending)
- Line item (i.e. at the level of very specific spending items)

- b. If the county's chief administrative officer wants to move funds among departments, is external approval required?

- No Yes *(By whom? Board of Supervisors (see A.R.S. Section 42-17, Attachment FM-Document/Information Requested (F)-2).)*

At what dollar threshold is this approval required? \$ 1 (as required by statute)

- c. If department heads want to move funds among divisions, is external approval required?

- No Yes *(By whom? _____)*

At what dollar threshold is this approval required? \$ _____

- d. If department heads want to move funds among programs, is external approval required?
 No Yes (*By whom?* _____)
 At what dollar threshold is this approval required? \$ _____
- e. If department heads want to move funds among object classifications (such as personnel or travel), is external approval required?
 No Yes (*By whom?* _____)
 At what dollar threshold is this approval required? \$ _____
- f. If department heads want to move funds among line items (such as, for example, wages for full-time personnel), is external approval required?
 No Yes (*By whom?* _____)
 At what dollar threshold is this approval required? \$ _____

- g. Does your county allow departments to retain any savings they realize?
 No Yes If so, what percentage? 100 (within a fiscal year)%
 If so, under what circumstances is this allowed?

Under the Budgeting for Results Accountability Policy, departments are given discretion and flexibility to use budget savings within the same fiscal year, but in return are expected to absorb most unforeseen or unplanned expenditures that may become necessary (see Attachment FM-Document/Information Requested (F)-3). In addition, non-recurring budget savings must be used only for non-recurring uses, and not create new ongoing liabilities. Arizona statutes do not allow budget savings to be carried forward automatically into subsequent fiscal years.

At Maricopa County, we believe that managers and employees are best encouraged to produce savings for the taxpayers when they are incentivized individually for good financial performance. The financial philosophy of the County Board of Supervisors, as reinforced by state statutes, requires year-end budget savings to be properly reallocated through the budget process. This approach has helped to generate significant budget savings, and has allowed us to avoid borrowing for major one-time expenditures (Appropriated Fund Balance) and to build solid financial reserves and fund balances (CIP Debt Service Reserve and Fund Balance Designated for Cash Flow).

For over six years Maricopa County has tied our managers' salaries to performance, in particular financial and budgetary results. From 1995 through 1997, Maricopa County administered a management incentive plan that awarded one-time payments

of up to 5% of a department director's annual salary, based on results achieved. Performance results were measured in two components: 1) achieving 5% or more savings against the department's expenditure budget; 2) achieving the director's performance goals relative to strategic and business plan objectives. This process had a powerful impact on budget results, and ensured that business objective and outcomes were also met.

After 1997, Maricopa County department directors joined a single Countywide Performance Incentive Awards (PIA) plan (Attachment FM-14.g.-1) "Share the Savings 2001 - Performance Incentives Program") that is funded by annual budget savings at the department level. Each year, employees and managers who have a satisfactory performance rating or higher are eligible to receive a one-time financial award in June (the last month of the fiscal year). Awards for chief officers, department directors and employees are tied to performance, but funding is directly related to the department's financial results.

A department's managers and employees are eligible for the Performance Incentive Program if the department has achieved savings against its personal services budget, has achieved savings in its overall budget, and projects to return at least one-half of its budget savings to the taxpayers via an increase to the year-end fund balance. If the savings do not occur as forecasted, the department is ineligible to participate in the following fiscal year, thereby ensuring accountability through the incentive plan. Budget savings realized are reallocated for other purposes, including Appropriated Fund Balance.

15. Please describe the major controls or procedures your county uses to guard against unauthorized or fraudulent spending in excess of authorized amounts.

Maricopa County maintains a comprehensive set of systems, procedures, and policy controls that guard against unauthorized or fraudulent spending. These controls range from system access and spending controls to independent review of approval of transactions, regular external and internal audits, budget monitoring, and policies that provide for corrective action when departments spend outside their legal appropriations. Below are some of the major control measures the county has in place to ensure spending is appropriate and authorized:

Budgeting for Results Accountability Policy: At the highest level of control, the Budgeting for Results Accountability Policy sets clear expectations for keeping expenditures within Board appropriations, and prescribes a graduated system of

corrective action when problems arise (see Attachment FM-Document/Information Requested (F)-3).

The Department of Finance leads the process of monitoring budget-to-actual performance during the fiscal year. The budget is developed at a detailed level and calendarized, allowing departments, Finance and the Office of Management and Budget to analyze actual expenditures and revenues against true year-to-date budgets. The Department of Finance prepares, reviews and distributes monthly budget-to-actual variance reports. Budget-to-actual reports vary in format and distribution level. For instance, all departments receive daily and monthly reporting of their activity. This is reported at all levels of the department's budget/accounting cost centers. Departments use these reports, as well as detail transaction activity, to track and monitor their budget performance at their various organization and program levels. Budget performance reports, at a department/fund level, are distributed to county management and the Board of Supervisors, and are reviewed in depth for any departmental spending problems (see Monthly Financial Report, Attachment FM 15-1).

If a department exceeds its year-to-date budget during the fiscal year, a corrective action process is initiated as outlined in the Budgeting for Results Accountability Policy (Attachment FM-Document/Information Requested (F)-3). The Department of Finance conducts further analysis, and the problem department is required to provide an explanation and corrective plan. The Department of Finance and the Office of Management and Budget (OMB) review and approve department corrective action plans. Departments that are shown to be exceeding their budgets during the year work closely with Finance and OMB to ensure that corrective action plans are carried out effectively.

In the event that a department exceeds its appropriation at fiscal year-end, the Budgeting for Results Accountability Policy requires further corrective actions to insure that the problem does not recur in the subsequent year. Departments may lose the privilege of making independent spending decisions within an overall department/fund appropriation. The Office of Management and Budget administers a line-item review process, in which certain types of spending are made subject to pre-approval or intensive monitoring by OMB.

Audit: Spending by County departments is subject to both external and internal audits. The State Auditor General conducts annual reviews of County purchases (Price Agreements, Purchase Orders, etc.), while County Internal Audit conducts Materials Management and Department Reviews on a scheduled basis.

Position Control: The Office of Management and Budget reviews and approves all requests to add or delete positions, and verifies that all mid-year salary adjustments are funded on an annualized basis (see the Funded Position Policy, Attachment FM-Document/Information Requested (F)-7). The budget system allows departments and OMB to validate that non-recurring budget savings is not used to create recurring liabilities.

Agenda Review: The Office of Management and Budget (OMB) review all Board agenda items that have a financial impact. New and amended contracts, intergovernmental agreements, or any other items that would commit the County to spending are reviewed to insure that the proposed action does not create an un-funded liability in future years, and otherwise complies with County policies.

Procurement Control: The Materials Management department reviews and signs Purchase Orders (PO) documents submitted for processing to ensure conformance with the County's Procurement Code. Materials Management also monitors price agreements, subsequent PO's and other transactions to ensure that expenditures are being made in accordance with the pricing and terms and conditions of the contract. Financial codes entered into the general ledger system, Advantage, do not allow a PO to be issued unless appropriate funding is available. Transactions against purchase orders will not be paid by the system if the payment exceeds the assigned tolerance level for the PO. If more funds are needed to pay against a PO that was not originally authorized, the PO can be modified. This modification follows the same approval steps as an original PO.

Financial System Budget Controls: In the main financial system, Advantage, system expense budget tables provide controls to limit expenditures against accounting lines. Grant transactions have dollar ceilings and will not pay if the authorized spending for the grant is reached.

Accounts Payable Review: The Finance Department's Accounts Payable division audits original invoices prior to payment and ensures that the goods or services have been received and that all appropriate authorized approvals have been completed prior to approving payment.

Financial System Access and Security Authorizations: Access to our financial systems is based on user identification and password. This access is approved at the department level, by the Department of Finance, and the system administrator. User access is predetermined depending on the users' job function and authority within their department. For instance, an individual responsible for preparing a payment request will have a system profile that allows the user that functionality, but will not have a profile that allows approval of the payment for processing. The following three approval levels are required to complete the payment cycle:

- Level 1 allows authorized department staff to prepare or initiate payments.
- Level 2 allows authorized department managers or supervisors to approve payments. This approval is restricted to department personnel who have the authority to validate that the payment meets applicable legal agreements, complies with County policies, and is appropriate for the function of the department.
- Level 3, or final approval, is performed by authorized personnel of the County Department of Finance. Level 3 approval is completed only after the first two approvals

are confirmed, and requires a financial review of the payment. Payments are reviewed for reasonableness as to the accounting string used (cost center charged), the department's activity and County applicable policy.

16. Please answer the following questions about audits in your county.

a. Who conducts audits for your county? *(Please check all that apply.)*

An internal administrative office *(Please identify: _____)*

An elected auditor

An auditor appointed by the county's legislative body

An auditor appointed by the state

An independent private firm *(Please identify:*

Internal Audit: Andersen Consulting and KPMG

Stadium District: Heinfeld & Meech

Maricopa Integrated Health System: Arthur Andersen, Deloitte & Touche LLP, and Zolondek, Strassels, Greene & Freed, PC)

Other *(Please identify: The County's financial audit and Federal Single Audit are performed by the Arizona Office of the Auditor General, as required by state statute. After a maximum of three years, the Auditor General assigns a different audit manager to perform the audit. An independent audit firm performs the Stadium District audit. The audit contract is re-bid at least every five years. Audit services for healthcare, such as assistance in preparing financial statements, are provided by any of three independent audit firms on contract. The County's Internal Audit Department does performance audits based on an annual plan that is approved by the Board of Supervisors. Audit staff are assigned on a revolving basis (see Annual Audit Plan, Attachment FM-16.a-1).*

_____)

b. If your county uses independent firms, is their selection a competitive process?

No

Yes

- c. What criteria does your county use in the selection of independent firms?

Department of Finance: The selection process for the each proposal is evaluated by a Proposal Analysis Committee. The Committee is appointed and chaired by the Materials Management Department. The committee will evaluate each Proposal and prepare a score to the responses as solicited in the original request. The selection criteria are as follows:

- Proven skills and technical competence.
- Approach and philosophy.
- Credentials of audit and management staff.
- Experience in governmental audits.
- Quality and completeness of Proposal.
- Cost of goods, services and/or materials and allocation of man hours.

The criteria used by the County Auditor include the following: audit experience, local gov't experience, project-specific experience, hourly rates, and average costs. Although the criteria used may vary among departments, the competitive procurement process remains consistent.

- d. Please indicate the extent to which you agree with the following descriptions of the overall scope and characteristics of audits in your county:

- | | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | Not applicable |
|---|-------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| i. Audits in your county cover financial compliance and control mechanisms. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

- ii. Audits in your county cover financial performance measures.
- iii. Audits in your county cover program performance.
- iv. Independent auditors are changed frequently.
- v. Audits in your county are done at the county level only.
- vi. Audits in your county are done at both county and department levels.
- vii. Audits provide useful information to responsible authorities.
- viii. Audits move beyond compliance and to review programs in a way that allows authorities to improve their effectiveness.

17. Please answer the following questions about how your county assesses the financial impacts of budget decisions.

a. Does your county budget office or some other body in your county formally assess the out-year effects of the county budget by doing any of the following:

- | | | |
|---|-----------------------------|---|
| Estimating pension liabilities? | <input type="checkbox"/> No | <input checked="" type="checkbox"/> Yes |
| Estimating accrued vacation and sick leave liabilities? | <input type="checkbox"/> No | <input checked="" type="checkbox"/> Yes |
| Estimating major employee wage increases? | <input type="checkbox"/> No | <input checked="" type="checkbox"/> Yes |

(If so, please attach an example of such an assessment.)

b. If your county estimates these liabilities, who performs these analyses?

Maricopa County employees are covered by several retirement systems administered by the State of Arizona, including the Arizona State Retirement System, the Public Safety Personnel Retirement System, the Elected Official Retirement System, and the Corrections Officer Retirement Program. The County and the employee are assessed a percentage of gross salary that varies by plan. The Office of Management and Budget includes estimated retirement plan contributions in the budget and the 10-year financial forecast based on information provided by the State.

Wage increases are reflected in the ten-year forecast as well, usually based on inflation forecasts provided by our consulting economist; staffing growth estimates are based on historical trends.

The Department of Finance estimates 60-day accruals of compensated absences for all funds, in accordance with Government Accounting Standards Board (GASB) guidelines. The accrual includes personal leave and compensatory time, and is reflected in year-end financial statements. Maricopa County's leave policies limit increases in liabilities related to leave. Accrual of personal leave is limited to 240 hours, while County policy is to pay employees overtime instead of allowing them to accrue compensatory time.

c. What measures or indicators of these effects are used in these analyses?

Forecasted overall wage increases are tied to forecasted inflation; the assumptions are adjusted when we foresee challenges in a specific area, such as when the County will need to hire a large number of Detention Officers within a short period of time to staff new jail facilities. Increases in staffing levels are estimated based on population growth, and are also factored into wage forecasts. Future retirement contribution costs are factored into financial forecasts, calculated as a percentage of gross salaries.

- d. How far into the future do these analyses extend, on average?
- | | |
|---|------------------------|
| Pension liabilities | <u>10 years</u> |
| Accrued vacation and sick leave liabilities | <u>Not applicable.</u> |
| Major employee wage increases | <u>10 years</u> |

18. Please answer the following questions about how your county assesses the financial impacts of legislation.

a. Does your county formally assess the future financial impacts of *county* legislation?

- No Yes, with fiscal notes Yes, with other types of analysis

(If yes, please attach an example of such an assessment. If no, skip to 'f'.)

b. If so, who performs this analysis?

Departments are required to use a standardized system to submit agenda items to the Board for approval. This system is part of the County's intranet, the Electronic Business Center (EBC), and is known as Agenda Central (see Agenda Item screen print and Agenda Financial Impact Statement screen print, Attachments FM-18.b.-1). The main agenda item screen includes a field in which the department is required to report budgetary impacts by fiscal year. Further detail is required on the Agenda Financial Impact Statement screen, which indicates the specific budget line-items affected.

Agenda items with financial and budgetary impacts are reviewed and approved by the Office of Management and Budget (OMB). OMB validates that the agenda financial information is accurate, relative to the budget. The OMB review emphasizes the multi-year impact of proposed actions, specifically that the action will not create a future un-funded liability. OMB staff may complete more detailed analyses and recommendations as necessary. If an issue is of sufficient magnitude, OMB may estimate its impact through the 10-year financial forecasting models.

The County recently implemented an enhanced agenda process which aligns with the County's Managing for Results (MfR) initiative. This process mandates that

departments include performance-related information from their strategic plans within their agenda items. The Board then has this performance information on which to base their decisions, as well as the projected results to be achieved (see Attachments FM-18-.b.-1 and FM-18.b.-2).

- c. At what stage of proposed legislation is this completed?

Agenda items are reviewed by OMB and submitted to the Board with either a recommendation to approve or not approve the item. This is done prior to the Board's consideration and action, so that the Board has information on which to base its decisions.

After the agendas are reviewed by OMB, they are routed to the Clerk of the Board of Supervisors where they are compiled into a draft agenda. This draft agenda is then reviewed by the Clerk, County Administrative staff, and an OMB manager. Since the Chairman of the Board is responsible for setting the agenda for each of their meetings, the Chairman meets with the Clerk and a manager from OMB to review each agenda item. The Office of Management and Budget plays a major role in this process, explaining the intent of each agenda item and justifying their recommendation.

- d. What measures or indicators of these effects are used in these analyses?

Financial impacts are reported by fiscal year for the current and succeeding fiscal years.

With the new enhanced agenda process, performance measures and their projected outcomes will also be included for the Board to base their decisions on.

- e. How far into the future do these analyses extend, on average?

Routine agenda items include fiscal impact for the current and following fiscal years, depending on the term of the item under consideration; for example, a

contract with a term of only one year. An agenda item to approve a new building lease would report the escalated costs of the lease for each fiscal year of the lease term.

- f. Does your county formally assess the future financial impacts of *federal and state* legislation relevant to your county?

No Yes

(If yes, please attach an example of such an assessment. If no, skip to question 19.)

- g. If so, who performs this analysis?

Maricopa County Government Relations, part of the Office of the County Administrator, is responsible for coordinating the tracking and monitoring of pending state and federal legislation, as well as recommending and conducting lobbying strategies with the Board of Supervisors, County departments and State or federal officials. Government Relations screens all bills filed in the State Legislature, and notifies applicable departments via e-mail. For example, legislation that may impact the County's ability to issue debt, change tax rates or charge fees and fines would be directed to both the Office of Management and Budget (OMB) and the Department of Finance for review and analysis. Proposed legislation that affects operational mandates is referred to the affected departments for review and analysis, as well as to OMB. Departments then analyze each bill, and report their conclusions back to Government Relations via an on-line intranet tracking system (see Attachment FM-18.g.-1). The on-line tracking system includes a brief summary of the estimated impact of the bill, and allows departments to choose various options for Government Relations, such as "support", "oppose", or "monitor".

OMB and the Department of Finance receive a great volume of bills to review, and it is neither possible nor cost effective to conduct a detailed analysis on every single bill, since most will never receive serious consideration in any event. OMB manages this workload by conducting a high-level assessment of whether or not bills have significant positive or negative fiscal impacts to the County, and whether bills should be monitored more closely if they move through the Legislature. If a bill begins to be seriously considered, Government Relations notifies OMB and a complete analysis is performed (see Jury Fee increase example, Attachment FM-18.g.-2).

OMB and the Department of Finance make use of external experts in many cases. For example, any bills relating to property taxes or state shared revenues are referred to our consultant economist, Elliott D. Pollack & Company. The County

also works closely and shares information with other local governments and State agencies such as the Joint Legislative Budget Committee and the Arizona Department of Revenue.

h. When is this completed?

Government Relations refers bills to departments for analysis as soon as they begin to be filed at the start of the State legislative session, or are pre-filed before the session. Analysis continues to be performed throughout until the last day of the legislative session. Initial reviews are completed and provided to Government Relations via the on-line bill tracking system within one to two working days.

For federal legislation, the analysis is performed whenever we become aware, through news reports, legislative alerts from intergovernmental organizations (National Association of Counties, Government Finance Officers Association), congressional staff members, or through our federal lobbyists that there is a federal issue we should analyze. This takes place any time that Congress is in session.

i. What measures or indicators of these effects are used in these analyses?

Primarily, we review proposed legislation for the following:

- Negative or positive impact on Maricopa County's revenue stream in terms of state-shared transaction privilege tax revenues, vehicle license tax revenues, property tax revenues, personal property tax, Highway User Revenue Fund (HURF) revenues or any other County revenue (charges for services, fines and fees, licenses and permits).
- Addition to our existing burden of un-funded or under-funded state or federal mandates.
- The impact on economic growth of the State or Maricopa County
- The impact on current expenditures for a particular program or service provided by the County, such as retirement system contributions.

j. How far into the future do these analyses extend, on average?

The number of years into the future covered by legislative analysis varies depending on the issue. Major, far-reaching legislation, such as those that affect County mandated health care responsibilities and contributions to State Medicaid programs, have a ten to fifteen year fiscal impact review. A recent example is enactment of Proposition 204, that extended Medicaid coverage and eliminated County residual indigent health care responsibilities in exchange for increased County contributions to fund the Arizona Health Care Cost Containment System (AHCCCS), Arizona's Medicaid program (see Proposition 204 impact analyses, Attachment FM-18.j.-1).

19. Please answer the following questions about pension liabilities.

- a. What governmental entity is responsible for your county's pension system? (*Please attach any policies governing pension fund investments.*)

Most County employees are covered by the Arizona State Retirement System; other specific groups are covered by the Public Safety Personnel Retirement System, the Correctional Officers Retirement Program, and the Elected Officials Retirement Program. All of these systems are administered by the State of Arizona. At June 30th, 1999, the pension fund was overfunded by 16% and had an actuarial surplus of over \$2.5 million (see Arizona State Retirement System Financial Report, Attachment FM-19.e.-1).

- b. Does your county have an unfunded pension liability?

No Yes

(*If no, skip to question 20.*)

- c. If you have an unfunded pension liability, what is it in absolute terms? \$ NA

- d. What is it as a percentage of total liability? NA%

- e. To what do you attribute your county's unfunded pension liability (for example, use of conservative assumptions, structural under funding, etc.)?

Not applicable - Maricopa County employees are covered by state retirement systems, as mentioned earlier. The largest of these, the Arizona State Retirement System (ASRS), is in fact quite well funded (see ASRS financial reports, Attachment FM-19.e.-1).

20. Does your county face any major challenges or problems in the areas of budgeting, accounting, and financial reporting?

Maricopa County faces several major challenges in budgeting, accounting and financial reporting, and we are making coordinated efforts to address each of them.

Chart of Accounts - Over the last few years, demands for better accountability and particularly the Managing for Results initiative have highlighted the need to improve the structure and administration of our Chart of Accounts. We have made strides to ensure that there is more consistency across the County in how the elements of the Chart of Accounts or “accounting string” are used. In the fall of 2000, a Financial Reporting Review Committee (FRRC) was formed, consisting of management representatives of the Department of Finance, Office of Management and Budget, and the Administrative Technology Center (which maintains the finance, budget, and human resource systems). The FRRC’s purpose is to develop and approve changes to the Chart of Accounts, insure that all departments use the structures in a consistent manner, and appropriately implement the Chart of Accounts across all affected information systems.

We are in the midst of a significant restructuring of our Chart of Accounts, largely driven by Managing for Results, which will provide better budget and accounting information to all levels of management. For example, we have reduced our list of object codes to a more manageable and usable number. We are now implementing a new element of the Chart of Accounts, Program/Activity/Service, (P/A/S), which will allow reporting by results-driven programmatic structures outlined in departments' strategic plans under Managing for Results. For the FY 2002-03 budget, we will implement changes to greatly improve reporting by organizational units, grants, and capital projects.

Another area of challenge has been to enhance our budgetary and financial reporting for department management and for use in County-wide financial reporting and analysis. The County’s general ledger system contains a great deal of information that we have not been able to use to its full potential because of limitations in our existing reporting mechanisms. The Department of Finance has already begun to address these deficiencies through the use of data extracts and intranet reporting tools. However, a new financial reporting tool is needed to fully enhance our reporting and provide real-time user access to standard and custom reports from all the information stored in our general ledger system.

During FY 2000-01, we completed two significant steps towards reaching these goals. First, we successfully completed the conversion of the Advantage system (general ledger system) to a DB2 database structure. This conversion moves our financial system to a relational database structure, which significantly enhances our ability to report and analyze data from the system. DB2 also makes it easier to share data between financial systems. Second, we successfully secured a new financial reporting tool called InfoAdvantage that will allow us to reach all the information stored in the general ledger and customize that data to meet the unique and different reporting needs of user

departments. These new reporting tools, combined with more meaningful financial and budgetary reporting structures, will greatly enhance management information and accountability.

Implementing Governmental Accounting Standards Board (GASB) Statement No. 34 will be a specific reporting challenge for the County in FY 2001-02. The County has been actively preparing for the upcoming implementation of GASB 34, which includes understanding the reporting requirements, working with the major infrastructure departments (Flood Control District and Transportation), and modifying the current financial information for GASB 34 reporting purposes.

The most significant challenge in budgeting will be to continue to progress in implementing Budgeting for Results, a key part of the Managing for Results Initiative. As mentioned earlier, reporting structures are being implemented to support tracking and budgeting by program/activity/service in alignment with department strategic plans. Beginning with development of the FY 2002-03 budget, departments will allocate their budgets to this new structure, which will require significant procedural changes and modifications to our budget system. For FY 2003-04 and beyond, we will move toward full performance-based budgeting, in which expenditures and revenues are established based on estimated demands for service. As a consequence, the budget system will need to evolve in rolling implementation stages to support each succeeding development in the process.

21. Please describe any ways in which the information technology currently in place for budgeting, accounting, and financial reporting either impedes or dramatically enhances your county's ability to accomplish these functions.

Our current technology is being continually updated to enhance its support for budgeting, accounting and financial reporting. The principal challenge has been to achieve better reporting from our core administrative systems, which were designed primarily for transaction processing. Maricopa County's strategy has been to continue using our core administrative systems, AMS Advantage (general ledger) and Integral HRMS (personnel/payroll), rather than invest in a costly "Enterprise Resource Planning" system that would have a doubtful return on investment. We are investing in new technology that will work along side these existing systems and provide better information to support financial management.

In terms of accounting and financial reporting, three notable technology products used to expand the functionality of AMS Advantage are:

- DS Designer is a software that allow us to perform data extracts from our general ledger system. These extracts are performed monthly and provided to departments via Microsoft Access or Excel formats.
- Report.Web is an intranet report distribution tool that translates our daily and monthly general ledger financial reports to electronic versions on the County's intranet. Report Web also produces reports in an Excel spreadsheet format.
- InfoAdvantage, as mentioned earlier, will allow users to define their own reports using on-line analytical processing (OLAP) tools. This capability will greatly enhance the usefulness of financial information throughout the County.

The Office of Management and Budget continues to develop cutting-edge budgeting models in our new Adaytum budget planning system, implemented in 2000. The Adaytum software provides powerful on-line analytical processing (OLAP) capabilities that are being put to use for budget development, budget administration after adoption, and financial forecasting. The Adaytum budget system continues to provide on-line entry of budget data by department personnel, and regular data exchanges with the general ledger system (Advantage) and the human resources/payroll system (HRMS). Reporting has been greatly improved through the new system, and the 10-year financial forecast is being transitioned into the Adaytum system from an off-line spreadsheet system. Future implementation phases will include linkage of budget data to performance measures, and wider access to budget data by departments through Adaytum's internet-based "e-budgeting" modules (see GFOA presentation, Attachment FM-21-1).

22. Has your county made any recent improvements or adopted any innovative practices in budgeting, accounting, and financial reporting?

Overall, the most significant improvements and innovative practices we have adopted relate to the County's Managing for Results (MfR) initiative, and its financial component, Budgeting for Results. Budgeting for Results entails restructuring the

budget process, and the budget itself, to align with strategic plans and goals with measurement of results.

As mentioned previously, the Chart of Accounts is being restructured to include programs, activities and services identified through the strategic planning process. This change has led to a wider restructuring and simplification of other elements of the Chart of Accounts, including object codes and funds, that will provide better and more meaningful management information. These changes will require changes in how departments and employees report their activity; for example, all employees will now need to report their time worked by activity or service through the County's new time and attendance system, JAMIS. Structural changes will also allow the County to take full advantage of new financial reporting tools that are being implemented, particularly InfoAdvantage.

Budgeting for Results will also greatly change the process of how the budget is developed. Much less emphasis will be placed on specific positions and line-item detail, and the focus will shift to programs and activities, along with associated performance measures. For FY 2002-03, the budget will be developed and allocated by programs for the first time. In following years, budget development models will use anticipated output levels and estimated unit costs to drive expenditure estimates by program/activity.

By aligning strategic planning with the budget process, Budgeting for Results has required OMB to take on a fundamentally new role in strategic planning. OMB staff now must be able to consult and train, as well as analyze and evaluate, to a much greater degree. OMB has taken on this responsibility with only minor additions to its staffing levels by paying careful attention to scheduling the strategic planning and budgeting processes. Strategic planning processes are being conducted in the summer and fall, traditionally the budget "off season", when staff workloads are less heavy.

Our new budgeting processes are being supported by new technology, particularly our new Adaytum budgeting/planning system. As mentioned previously, both systems make use of on-line analytical processing (OLAP) that will greatly expand our financial management capabilities. The Adaytum budget system continues to provide on-line entry of budget data by department personnel, and regular data exchanges with the general ledger system (Advantage) and the human resources/payroll system (HRMS). Our upcoming implementation of "e-budgeting" with the Adaytum system will allow much greater access to budget information for a wider group of managers and supervisors (see GFOA presentation, Attachment FM-21-1).

In other areas, the fiscal year-end financial reporting function for the Department of Finance has been greatly improved over the past two years. The County has improved regular monthly financial reporting by replacing paper reports with "Report Web", and has begun creating an archive of all historical financial reports in PDF format, which can be stored and distributed electronically. The County is installing a SQL server database that will allow financial management to store and analyze ten years or more of historical data and maintain massive databases for quick retrieval. Implementation of

InfoAdvantage will begin in July 2001, significantly enhancing our current reporting abilities by allowing user departments to develop their own custom reports and perform data queries on a real-time basis, not restricted to standard, month-end reports. In addition to these specific software technologies, the County leverages the use of tools available in Microsoft Excel such as its "pivot table" feature. This feature allows us to create the financial statements easily and effectively.

Maricopa County is in the forefront in moving from the traditional "line-item" budgeting to department-level appropriations seven years ago when the Board of Supervisors adopted the first Lump Sum Budgeting Policy. The original policy has evolved into the Budgeting for Results Accountability Policy (see Attachment FM-Document/Information Requested (F)-3). The Budgeting for Results Accountability Policy gives departments discretion and flexibility to use their allocation of the public resources to achieve results, while at the same time establishing clear accountability for keeping expenditures within the Board's appropriations. The Policy also lays out a process of graduated responses to potential or actual budget overruns.

We also take pride in our CIP Debt Service Reserve, which serves both as our "rainy day fund" and a mechanism for cost-effective financing of capital improvements. As mentioned earlier, over the last three fiscal years Maricopa County has built up a reserve of \$176.2 million (excluding amounts formally pledged for repayment of the debt), amounting to 21.7% of total General Fund budgeted expenditures. This reserve has been accumulated through sound fiscal management practices, including conservative revenue and expenditure estimates.

Through the use of technology, Maricopa County has greatly expanded public access to the budget process and financial affairs. Both OMB and the Department of Finance provide access to their publications via the County website, www.maricopa.gov. The Department of Finance has Citizens' Summary Financial Report, a comprehensive schedule of property tax rates, the County Debt Management Plan, and five years of the Comprehensive Annual Financial Report available on the web. The Office of Management and Budget provides access to the Annual Business Strategies (adopted budget, CIP and forecasts) back to FY 1999-00, and the latest version of the budget document, the FY 2001-02 Recommended and Tentative Budget documents were made available in their entirety on the web within a day or two of their issuance this year. OMB also provides access to its Research Reports, Policies, quarterly Financial and Personnel Resources Reports, and annual Mandate Study update. The OMB website also allows the public to pass on comments on the budget and the budget process.

PART 2: INVESTMENT AND DEBT MANAGEMENT

23. Please answer the following questions about asset allocation in general.

- a. Please describe how your county allocates its assets across asset classes (e.g. stocks, bonds, cash, commercial paper, real estate, etc.).

The County does not have any material long-term investments. All budgets are based on an annual collection and expenditure cycle. A minimum fund balance amount is calculated at the beginning of each budget cycle, sufficient to avoid short-term borrowing. Consistent with property tax collections, the County cycles through its cash twice a year.

Exceptions would include debt service reserve funds that are held for periods of up to fifteen years. These investments are not material to the County's overall portfolio and must be invested according to the same investment rules.

The County's Self-Insurance Trust Fund starts the budget year with a balance equal to two years of anticipated expenditures. It would not be appropriate to invest these funds in securities subject to interest rate or market risk.

With the FY 2001-02 budget, the County has designated \$124.3 million in the debt service reserve fund to make the scheduled payments for lease revenue bonds for the County's CIP program. The County is exploring the possibility of investing those funds in a Guaranteed Investment Contract (GIC) to ensure that the funds earn at a rate that is equal to the cost of the borrowing.

Finally, State Statute currently does not allow the County to invest in securities with maturities of greater than three years.

- b. Who decides how your county's assets should be allocated?

The Maricopa County Treasurer's Office maintains and invests all cash for the County and the other public entities under its jurisdiction.

By delegation from the Board of Supervisors, the County's Chief Financial Officer directs the investments of bond proceeds and debt service reserve funds held in trust. These investments have also been made in accordance with statutory requirements.

- c. Are competitive bids required for the purchase of securities (i.e. *all* financial instruments)?

No Yes

If not, under what circumstances are negotiated bids allowed?

Because of the limited number of allowable investment alternatives, vendors provide the Treasurer's investment officer with lists of available investments on a daily basis. The Treasurer's Office is able to compare the available investments with the amount of available cash and select the investments that produce the highest overall yield.

- d. In what ways is your county legally constrained in its investment activities?

By statute, the County cannot invest in stocks, corporate bonds or real estate. Given that the County cycles through most of its cash twice a year, these limitations are appropriate. Investments in commercial paper, stocks, or real estate present interest rate, credit or market risks that cannot be mitigated to a reasonable level when the investment is held for such a short time.

Cash is invested according to Arizona Revised Statutes Section 34-323, which currently limits all investments to money market funds such as Treasury bonds and bills, Federal Agency notes and bonds, municipal bonds and bank certificates of deposit. Recent legislation will allow the County Treasurer to invest a small portion of the portfolio in corporate debt. The County will move cautiously in utilizing this new authority in order to ensure the safety of the principal and the ability to meet cash flow needs.

24. Please answer the following questions about your county's long-term investment policy for funds other than pension funds. (*By long-term, we mean greater than two years. Please attach any policies governing long-term investments.*)

- a. What is the total size of your county's long-term investment portfolio (excluding pension funds and cash management)?

\$ N/A See answer to question 23.a.

- b. Please explain how your county determines the value of its long-term investment portfolio. (For example, does your county mark to market?)

All investments are marked to market.

- c. How often is your county's long-term investment portfolio valued?

Maricopa County does not have long-term investments. However, all short-term to mid-term investments are valued monthly.

- d. How would you characterize your county's long-term investment policy?

- None (Our county does not have a clear investment policy.)
 Informal (Our county has investment practices, but they are not codified.)
 Administrative (Our county has codified practices and procedures.)
 Adopted (Our county has codified practices and procedures that are approved by the county's legislative body.)

- e. What strategies does your county employ to optimize the return on its long-term investments?

Statutory limitations, based on A.R.S. Section 35-323, restrict County investments to a maximum of three years and only for eligible investments.

- f. Does a formal oversight body exist for monitoring long-term investments?

- No Yes

If so, please identify this body and describe its composition.

N/A

How often do they meet for this purpose?

- Never
- Monthly
- Quarterly
- Semi-annually
- Annually
- Other (*Please specify:* Not applicable)

g. How frequently do investment accounting policies require that information concerning long-term investment performance be reported?

- Never
- Monthly
- Quarterly
- Semi-annually
- Annually
- Other (*Please specify:* Not applicable)

h. To what county departments, offices, or elected officials is this information reported?

All investment information is reported in detail to the County Board of Supervisors and Department of Finance on a monthly basis. A quarterly newsletter is published and distributed to the major participants of the Treasurer's pool. This newsletter summarizes the pool investments and interest rates. The actual interest distributions are reported to the participants as they are posted to the individual funds along with all other fund transactions (see Attachment FM-Document/Information Requested (F)-2).

i. When you calculate your county's annualized return on investment, which of the following do you include? (*Please check all that apply.*)

- Income from dividends
- Interest income
- Realized capital gains and losses

- Unrealized gains and losses
- Other (*Please specify:* _____)

- j. Please describe what benchmarks your county uses to evaluate the performance of its long-term investments, and identify which benchmarks are used for which investments.

The Standard & Poor's Local Government Investment Pool and the Arizona State Local Government Investment Pool (LGIP) are two comparable investment pools that provide historical data for benchmarking. The State LGIP has been able to invest in corporate paper, which gives it additional investment options, but investments must be for no more than one year. With variations in investment requirements, the Treasurer's Office is able to stay competitive, if not exceed, State LGIP earnings (see Attachment FM-Document/Information Requested (B)-9, p. 28).

- k. Do you actively trade all or a portion of your long-term investment portfolio?

No Yes

If so, please describe how your county manages credit risk, market risk, and diversification.

- l. Please describe any obstacles, challenges, or problems that inhibit your county's long-term investment performance.

Although legally the County can invest up to three years, in practice this is used minimally, since the county historically cycles through cash twice a year. However, the County is exploring the possibility of investing in a Guaranteed Investment Contract (GIC). For further information see our response to question 23a.

25. Please answer the following questions about your county's short-term investment policy for funds other than pension funds. (*By short-term, we mean less than two years. Please attach any policies governing short-term investments and cash management.*)

a. How would you characterize your county's cash investment policy?

- None (Our county does not have a clear investment policy.)
- Informal (Our county has investment practices, but they are not codified.)
- Administrative (Our county has codified practices and procedures.)
- Adopted (Our county has codified practices and procedures that are approved by the county's legislative body.)

b. How does your county pool its cash management funds, or otherwise maximize the amount of money available for investment?

Arizona Revised Statutes requires certain "government" entities to invest their monies through the County Treasurer. The Treasurer is responsible for investing for Maricopa County, 60 school districts and many smaller special districts. The pool currently has a book value of about \$2 billion (see Attachment FM-Document/Information Requested (F)-2).

c. What strategies does your county employ to optimize the return on its short-term investments?

All available cash is invested daily. Given the restrictions on investment alternatives, estimating cash flow needs becomes the most important factor so that funds can be invested to maximize the opportunities available from the yields of different maturities.

d. Does a formal oversight body exist for monitoring short-term investments?

No Yes

If so, please identify this body and describe its composition.

However, the County's Finance department reviews the Treasurer's portfolio to ensure compliance with statutory requirements and to reconcile with the General Ledger.

How often do they meet for this purpose?

- Never
- Monthly
- Quarterly
- Semi-annually
- Annually

Other (*Please specify:* The investments are monitored by Finance at least quarterly.)

e. How frequently do investment accounting policies require that information concerning short-term investment performance be reported?

- Never
- Monthly
- Quarterly
- Semi-annually
- Annually

Other (*Please specify:* _____)

f. To what county departments, offices, or elected officials is this information reported?

Investment information is reported in detail to the County Board of Supervisors and Department of Finance on a monthly basis. A quarterly newsletter is published and distributed to the major participants in the Treasurer's pool. This newsletter summarizes the pool investments and interest rates. The actual interest distributions

are reported to the participants as they are posted to the individual funds along with all other fund transactions.

- g. Please describe any obstacles, challenges, or problems that inhibit your county's short-term investment performance.

The greatest challenge is to estimate the cash flows of all the entities that participate in the Treasurer's pool. Without continual updates of immediate cash flow requirements and future projections, the Treasurer's Office has to rely on historical data. The Treasurer's Office analyzes daily, weekly and monthly cash flow cycles for all entities (cash receipts and disbursements) to insure sufficient monies are available. The Finance Department prepares a daily cash report (see Attachment FM-25.g.-1) which reports the cash position for the County's operations, special revenue and healthcare funds, and provides it to the Treasurer's Office.

This information gives us the basis for daily investing. To insure that the cash is available each day, overnight repurchase agreements or discount notes/bills are utilized for immediate daily requirements. Cash in excess of immediate daily requirements is invested to mature at the point the cash will be needed. We avoid early sale of investments. Market fluctuations can be too costly if early sales are anticipated.

The prevailing intent of Arizona Revised Statutes is to protect the principal balance of public monies first. While the statutes restrict our ability to invest in higher yielding investments, they also protect the public from substantial losses. We will extend the list of eligible investments to include corporate paper and corporate bonds. This will provide additional investment options with little risk of loss.

26. Please answer the following questions about debt management in your county. (*Please attach any policies governing debt management, as well as your county's latest projections for debt ratios and debt capacity.*)

- a. How would you characterize your county's debt management policy?

None (Our county does not have a clear debt management policy.)

- Informal (Our county has debt management practices, but they are not codified.)
- Administrative (Our county has codified practices and procedures.)
- Adopted (Our county has codified practices and procedures that are approved by the county's legislative body.)

b. Does a formal oversight body exist for monitoring decisions about debt?

- No Yes

If so, please identify this body or describe its composition.

A Citizens' Bond Oversight Committee was appointed for the most recent 1986 voter-approved bond issues. The committee was dissolved after the County had predominantly spent all of the proceeds from the bond issues. This committee was charged with selecting projects to be submitted to the voters as well as monitoring project expenditures after voter approval. The County also used a Citizens' Bond Oversight Committee in its unsuccessful 1992 bond election. It is our intent to use a public oversight committee for any future general obligation issues.

c. How does your county calculate actual and project anticipated future debt service? In particular, please describe any debt capacity models your county uses.

The Debt Management Plan, prepared by the Finance Department on an annual basis, includes all of the individual debt service schedules on a countywide basis. It is recognized that all debt, regardless of the source of revenue pledged for repayment, represents a cost to taxpayers or ratepayers. Therefore, when calculating actual and projected anticipated future debt service, all types of County debt and other obligations are considered. In addition to the Debt Management Plan, the actual debt service is reported in both the Comprehensive Annual Financial Report at a detail level and the Annual Business Strategies at a summary level. In order to assess debt capacity for anticipated future debt service in conjunction with the ongoing business costs of the County, the County relies on the 10-year forecast to determine potential funding availability. (See Attachments FM-Document/Information Requested (A)-4, pages 606-625).

- d. How does your county determine the method of sale (i.e. competitive versus negotiated) for debt?

The County's policy is to use competitive sales unless there are compelling reasons to use a negotiated method. The County recently used a negotiated sale for the following reasons: (1) The transaction was a complicated sale/lease back subject to annual appropriation, (2) The County had not had a public offering of this size (\$130 million) in more than ten years. (Maricopa County was not well known in the market place) (3) There was no assurance the transaction could be insured, (4) A negotiated sale offered some flexibility in timing the sale during a period of significant fluctuations in yields, (5) Arizona's large retirement community offered the opportunity to sell a significant portion of the bonds during a retail order period at yields advantageous to the County.

Even though this sale was primarily negotiated, early maturities were actually sold through a competitive process because of high demand.

Attachment FM-26.d.-1 is a discussion model that we use to evaluate the different methods of sale.

- e. What formal (statutory or constitutional) limitations does your county have on debt issuance, and to what types of debt do these limits apply? (*Please attach copies of any relevant legislation or policies.*)

In recent years, the County has primarily used general obligation bonds and Certificates of Participation to finance long-term projects. Both types of debt are subject to statutory or constitutional limitations as described in the Arizona Revised Statutes Title 35, Chapter 3 (for new general obligation debt issues), Title 35, Chapter 3, Article 4 (for general obligation refunding bonds), and Title 11, Chapter 2, Article 4 (for Certificates of Participation) (see Attachment FM-Document/Information Requested (F-2), page 25). In addition, the County debt limit for general obligation bonds is fifteen percent of taxable property, as established by the Arizona Constitution, Article 9, Section 8 (Attachment FM-Document/Information Requested (F-2), page 2).

- f. What limitations does your county have on debt maturity (such as a maximum or average)?

It is the County's policy to finance projects for a period of time that does not exceed the economic life of the project. Maricopa County's practice has been to not issue Certificates of Participation (COPs) for a period of more than fifteen years. However, A.R.S., Title 11, Chapter 2, Article 4, Paragraph 46 (Attachment FM-Document/Information Requested (F)-2, page 25) limits the maximum repayment term to twenty-five years for the purchase of improvement of real property.

- g. What guidelines does your county have on debt affordability (including projections of economic and demographic variables)?

As of June 30, 2000, the County had a balance of \$75.6 million in its General Obligation Bonds Payable. These bonds will be paid off in their entirety by June 30, 2004. The County has a debt limit of fifteen percent of assessed value within the County that is established by Article 9, Section 8 of the Arizona Constitution (Attachment FM-Document/Information Requested (F)-2, page 2). For the Fiscal Year ended June 30, 2000, the limit was in excess of \$2.8 billion. In comparison to the Constitutional limit, the County considers its existing debt for general obligation bonds to be minimal and affordable (less than 3 percent of the legal debt limit). While lease-secured and certificate of participation obligations may not be debt under strict legal definitions, they still require future appropriations, and are a fixed charge. Thus, these obligations are considered as well, when considering affordability and reasonableness in comparison to the legal debt limit. As of June 30, 2000, the County had a balance of \$35.3 million in capital lease and certificates of participation payable. The County recently issued \$130 million of lease revenue bonds to fund the first phase of its five year Capital Improvement Program as discussed in questions 26 and 27. For all debt considered, including the recent issue of \$130 million, the County has existing obligations that are considered minimal and affordable (less than 9 percent of the legal debt limit (see Attachment FM-Document/Information Requested (B)-9, page 224).

- h. Does your county include capital leases or certificates of participation in your debt capacity and affordability analyses?

No Yes

- i. Does your county use an independent financial advisor for some or all of your debt planning or issuance?

No Yes

If so, please describe this relationship.

Maricopa County solicits and awards a financial advisor services contract through the Request for Proposal process. This process requires the County to evaluate qualified firms who have submitted a proposal. The County awards the contract to the most qualified vendor based on the evaluation factors. Currently, the County has a contract with Piper Jaffray for all financial advisor services (see financial advisor's qualifications, Attachment FM-26.i.-1).

- j. What exposure does your county have to third party credit providers, third party liquidity providers, or swap counterparties? How does your county assess and manage these risks?

We do not use these investment strategies.

- k. Does your county face any major obstacles, challenges, or problems in the areas of debt management?

Since 1995, the County implemented financial and management controls and policies that have resulted in the County's fund balance reaching \$154 million by the end of FY 2000 (see bond rating presentation for details of the County's financial recovery, Attachment FM-26.k.-1). In addition, the County's bond ratings have been raised three times by Moody's Investors Service and are now at their highest

levels in the County's history (see recent evaluations from both Fitch IBCA and Moody's Investors Service, Attachment FM-26.k.-2).

The County recently went to market with a \$130 million lease revenue bond issue that was insured with an underlying rating of AA-. This transaction was unique in that the amounts required for debt service have already been accumulated and have been deposited in the debt service reserve fund (see The Bond Buyer article, Attachment FM-26.k.-3).

27. Has your county made any recent improvements or adopted any innovative practices in investment and debt management?

The County recently issued \$130 million of lease revenue bonds to fund the first phase of its five year Capital Improvement Program. Although the County had accumulated sufficient cash to fund Phase I, debt was issued for the following reasons:

- The amount held in the Debt Service Reserve fund could be used by the County for unforeseen emergencies and serves as a "rainy day" fund.
- The amounts held in the debt service reserve fund will earn at an interest rate equal to the rate of the borrowing.
- Amounts deposited in the proceeds account can earn at a rate that exceeds the cost of the borrowing.

In summary, the County is in the unique situation of being able to fund its Capital Improvement Program with cash, but we have issued debt in order to maximize spending flexibility and because borrowing costs are less than what can be earned on the invested funds.

PART 3: PROCUREMENT, PURCHASING, AND CONTRACTS

28. Please answer the following questions about contracting out services in your county. (Note: Here we are not referring to contracts for capital, such as building or vehicle leases. Also, please attach any policies governing contracts or documents that describe procedures for contracting out services.)

- a. Approximately what percentage of your county's operating expenditures are for services that are contracted out? 28%

- b. Up to what monetary level can services be contracted out without going through a formal bidding process? \$ 35,000 - General County, \$100,000 - Health System, Construction - \$100,000, Architect/Engineering Services - \$250,000

- c. For those contracts that *do not require* a formal bidding process, who has the authority to make the decision to contract out a service?

The Materials Management Director or designee has authority to contract for services that do not require a formal bidding process and that have a value up to \$35,000. Also, departments may have Certified Agency Procurement Aides (CAPAs) who have been given limited authority to make purchases of up to \$2,500 utilizing the County's purchasing card, or \$1,500 without it.

- d. For contracted out services that *do require* a formal bidding process, who must approve these contracts?
 - County legislative body (commission, council, or board)
 - Chief elected official
 - Chief administrative official
 - Central county office (*Please identify this office:* Materials Management or County Engineer)
 - Operating department or department head
 - Other (*Please explain.*)

- e. What major activities or functions rely heavily on contractors? (*Please check all that apply.*)
 - Public works and utility services
 - Transportation
 - General government support services

- Health, human services, and social welfare
- Public safety and corrections
- Parks and recreation services
- Other (*Please list.*)

Maricopa Integrated Health System (MIHS) has an executive management and consulting contract with the Intensive Resource Group.

f. What are the largest contracts for services your county currently has?

Lower Buckeye Jail Adult Detention - \$98.9 million

Employee Benefits - \$52 million per year

Physician Contracts - \$42 million per year

Lower Buckeye Jail Central Services - \$40 million

Jackson Street Parking Garage - Design Build - \$22.3 million

Forensic Science Center and Parking Structure - \$19.8 million.

Intensive Resource Group (MIHS Management) - \$12.3 million

Comprehensive Healthcare Center Renovation - Construction - \$10.1 million

Janitorial Contracts - \$9 million per year

County Administrative Building (Architect) - \$7.1 million

Contract Attorneys - \$4 million per year

g. On what basis does your county decide whether or not to contract out a service?

Maricopa County strives to be the lowest cost, highest quality provider of public services in Arizona. Strategic and pragmatic use of services available from the private, not-for-profit, and volunteer sectors are part of that strategy. County management will look first to a presumption of utilization where an active marketplace of services exists within any of the sectors. Where there are high levels of expertise and an active marketplace in the private sector, the County will look first to obtain services there. Where there is an inherent trust and highly sensitive

public policy issues, such as law enforcement, there will be a presumption of looking first to traditional public sector service delivery. Wherever practical, a competitive process will be used to determine how services will be delivered.

The goal is to look at every service decision as a matter of sound business reasoning and public trust, recognizing the changing nature of the marketplace. What served as a management solution for one period of time may not continue to be the management answer for the future. Improving management is a continuous process. Each contract renewal revisits the question of how best to provide services at the least cost with the highest quality. Cost and quality of services delivered determines the overall value provided to the public.

The process of analysis must be objective, and business decisions must be made in the interest of taxpayers, recipients of service, and those that pay fees for service. Inherent in these decisions is the use of performance measurement data. This includes not only the total comparative costs of various delivery methods for programs, but also the unit costs of individual services and customer satisfaction data as well.

The Board of Supervisors encourages county management in both appointed and elected departments to utilize this competitive analysis philosophy for the purpose of making continuous improvements to county operations. The Board of Supervisors approved this process on January 31, 2000 (see Maricopa County Competitive Analysis Philosophy, Attachment FM-28.g.-1).

h. Which of the following aspects of bids from potential contractors does your county assess? (*Please check all that apply.*)

- Price
- Assurances of timely delivery
- Quality or performance standards for the product or service
- Qualifications of the producer
- Producer's record of performance
- Other (*Please list.*)

Financial condition, references, knowledge and skills, licensure, ability to provide required insurance.

i. What other criteria influence the selection of contractors (such as, for example, bids must be solicited from small or minority-owned businesses)?

Maricopa County has a Minority- and Women-owned Business Enterprise (M/WBE) program that has established a goal of providing M/WBE business entities equal access to County procurement opportunities. However, there is no set aside or monetary preference given to these vendors. In addition, due to the geographic size of the County some contracts will be awarded on that basis to permit convenient access to materials or services (see M/WBE policy, Attachment FM- 28.i.-1).

j. How does your county monitor its contractors and track its contracts?

- Our county has no formal oversight process for its contracts.
- Contracts are overseen by the operating department or division only.
- Contracts are overseen by a central county office only. (*Please identify this office: _____*)
- Contracts are overseen by the operating department or division and a central county office.
- Other (*Please explain.*)

k. What provisions are in place to ensure that contractors comply with the terms of the contract?

On large or complex contracts pre-solicitation meetings are held to assure that interested vendors are knowledgeable of the contract requirements.

On most contracts, post-award meetings are held with the successful contractor and the primary using department or departments to introduce key personnel and to make sure that all parties are aware of their responsibilities under the contract. This forum is also used to clarify problem resolution processes.

Formal contract monitoring activities are conducted by Materials Management personnel to assure compliance with contract requirements. This process gathers input from the using department(s), the contractor(s) and the responsible procurement personnel. Issues, concerns and non-compliance areas are identified and resolved through this process.

Individuals within County departments are assigned responsibility for performing contract administration duties. These individuals monitor contractor performance and act as a liaison to Materials Management when significant contract compliance issues are identified. To facilitate departmental reporting of contract compliance issues, the Department of Materials Management has developed and placed on the

County Intranet a vendor complaint form that formalizes the reporting and incorporates resolution documentation by the responsible procurement personnel.

The County Internal Audit department conducts formal audits of contract activity during their scheduled audits of County departments. In addition, when significant contract compliance issues are identified, special requests are made to the Internal Audit Department to conduct a more intensive and thorough review of contract activity.

Accounts Payable checks payment requests submitted to identify payment issues.

For construction projects, the Project Managers (and in the case of vertical construction, architects) are required to validate requests for payment. These individuals sign or initial payment requests noting contract compliance.

- l. To what extent does your county use master contracts that allow managers to obtain services as they need them?

- Our county almost always uses master contracts.
 Our county often uses master contracts.
 Our county sometimes uses master contracts.
 Our county rarely uses master contracts.
 Our county almost never uses master contracts.

- m. Does your county have a formal policy dictating the timeframe within which contractors must be paid?

- No Yes

If so, please explain this policy (*or attach relevant documents*).

Administrative policy # AP0899 (Attachment FM-28.m.-1) was implemented to establish a consistent policy for taking payment discounts offered by contractors. This policy requires that departments take the necessary steps to ensure that discounts offered are taken when in the best interest of the County. This policy is reinforced by regular reporting of discounts lost by department (Attachment FM - 28.m.-2). Maricopa County construction projects contractors are compensated in

accordance with Arizona Revised Statutes Title 34 (Attachment FM-Document/Information Requested (F)-2).

- n. What training about how to oversee contracts and contractors is required for managers responsible for services that are contracted out in your county? What additional optional training is available and to what extent do managers obtain it?

Maricopa County does not mandate training for department managers responsible for services contracted out by the County. Since managers are usually not responsible for day-to-day contract management, emphasis is placed on assuring that training is available for individuals who have responsibility for monitoring contracts, and that the training offered addresses their specific needs. Because of the scope and complexity of these contracts, the County includes contract management experience in job requirements when recruiting for positions assigned contract administration responsibilities.

Optional training includes an eight-hour training session on contract development, compliance and monitoring offered periodically by the Department of Materials Management (Attachment FM-28.n.-1).

The Maricopa County Departments of Internal Audit and Materials Management jointly offer a contract administration class. While this training is not mandatory, the County Administrator has expressed his expectation that all County personnel who have contract administration duties will attend this training session. Additional training sessions will be developed and offered as needs are identified (see training video and materials, Attachment FM-28.n.-2).

A procurement training session was conducted at the County Administrative Officer's April 2001 Management Retreat. This training covered many facets of governmental procurement, including contract administration. Attendees at this retreat included department directors, representatives from elected offices, and top management from several of the larger County departments (see presentation, Attachment FM-28.n.-3).

Contract administration activities are also included in training sessions offered as part of the County's Certified Agency Procurement Aide and Procurement Card training activities.

Maricopa County also delegates a higher level of procurement authority to individuals within departments through our delegated procurement officer program. There are currently two delegated types, one that pertains strictly to construction

activity, and the other that is limited to professional services or commodities that are unique to a department. For these individuals, required training is developed specifically for each individual to address their specific needs from a broad lesson plan. The County currently has fifteen delegated procurement officers for construction and eight for commodities and services (see lesson plan, Attachment FM 28.n.-4).

All training, with the exception of delegated procurement officer training, is advertised in the County's quarterly training catalog and facilitated by the County Training division within the Human Resources Department. The intent is to make the availability of training opportunities as widely known within the County as possible, and to provide a central point for registration to reduce confusion and increase participation.

29. Please answer the following questions about purchasing goods in your county. *(Please attach any policies governing purchasing.)*

a. In what documents are formal purchasing policies codified in your county? *(Please check all that apply.)*

- Our county has no formal (written) procurement policy.
- Procurement policy and procedures are specified in directives from the chief elected official.
- Procurement policy and procedures are specified in directives from the county's legislative body.
- Procurement policy and procedures are specified in directives from the chief administrative official.
- Procurement policy and procedures are addressed in a procurement manual issued by an administrative office.
- Procurement policy is codified in county statutes.
- Other *(Please list.)*

Refer to the Maricopa County Procurement Code, (Attachment FM - Document/Information Requested (F)-1).

b. Does your county have a formal process for obtaining bids or quotes for goods?

No Yes

If so, up to what dollar value can purchases be made *without* a formal bidding process? \$ 35,000 - General County, \$100,000 - Health Services

c. For goods that *do require* formal bids or quotes, who must approve purchases?

- County legislative body (board, council, or commission)
- Chief elected official
- Chief administrative official
- Central county office
- Operating department or department head
- Other (*Please explain.*)

The Maricopa County Procurement Code specifies that the Board of Supervisors are the contracting authority for the County unless otherwise delegated. Section MC1-201.E. of the Procurement Code sets forth those positions delegated to contractually bind the County and the limits of that delegation:

"Section MC1-203.E. Director shall have the authority to Award Contracts with aggregate annual dollar amounts up to one hundred thousand (\$100,000) and Contract terms up to five (5) years from the effective date of the Contract. Procurement requirements shall not be artificially divided or fragmented to circumvent source selection procedures required by MC1-316 or MC-329. All Contracts Awarded in this manner shall be reported to the County Administrative Officer by the last business day of each month."

Under the Procurement Code the Director is defined as the Director of Materials Management, or in the case of construction procurements the County Engineer.

d. For those purchases that *do not require* formal bids or quotes, who has the authority to decide to purchase a good?

- Procurement Consultants within the Materials Management Department, which is the Central Procurement Office (see Article 3 of Maricopa County Procurement Code, Attachment FM-Document/Information Requested (F)-1).

- Certified Agency Procurement Aides who are trained and delegated procurement authority from Materials Management (see response to Question 28.k).

- Maricopa Integrated Health Services Procurement Officer who has been delegated procurement authority from Materials Management (see Article 13 of Maricopa County Procurement Code (Attachment FM-Document/Information Requested (F)-1).

- The County Engineer or his/her designee in procurement of construction services (see Article 5 of Maricopa County Procurement Code (Attachment FM-Document/Information Requested (F)-1).

e. To what extent does your county use master contracts with vendors that allow managers to purchase goods as they need them?

Our county almost always uses master contracts.

Our county often uses master contracts.

Our county sometimes uses master contracts.

Our county rarely uses master contracts.

Our county almost never uses master contracts.

f. What provisions are in place to ensure that vendors comply with the terms of the bid or quote?

Refer to response to Question 28.k.

- g. What other criteria influence the selection of vendors (such as, for example, bids and quotes must be solicited from small or minority-owned businesses)?

Maricopa County has a Minority- and Women-owned Business Enterprise (M/WBE) Program that has established a goal of providing M/WBE business entities equal access to County procurement opportunities. However, there is no set aside or monetary preference given to these vendors. In addition, due to the geographic size of the County some contracts will be awarded on that basis to permit access to materials or services (see Maricopa County Minority and Women Business Enterprise Program policy Attachment FM -28.i.-1).

- h. Does your county set a maximum dollar limit below which managers have full authority to make purchases without higher-level approval?

No Yes If so, what is this limit? \$ 100.00 (See petty cash policy, Attachment FM-Document/Information Requested (F)-10.)

- i. Does your county grant special authority for purchasing in the case of emergencies?

No Yes

If so, for what emergencies?

Below is an excerpt from the Maricopa County Procurement Code which relates to emergency procurements:

MC1-346 EMERGENCY PROCUREMENT

A. Notwithstanding any other provisions of this code, upon declaration of an emergency or other approval as required under MC1-347, the CAO may make or authorize others to make emergency Procurements if there exists a threat to public health, welfare, property or safety or if a situation exists which makes compliance with MC1-316 or MC1-329 impracticable, unnecessary or contrary to the public interest. Such emergency Procurements shall be made with such competition that is practicable under the circumstances. A Written Determination of the basis for the emergency and for the selection of the particular Contractor shall be included in the Contract file.

B. Emergency conditions may arise from, but are not limited to, floods, epidemics, riots or equipment failures. An emergency condition creates an immediate and serious need for Materials, Services or Construction that cannot be met through normal Procurement methods and that seriously threatens the functioning of Maricopa County Government, the preservation of property or the public health or safety.

C. An emergency Procurement shall be limited in time and quantity to those Materials, Services or Construction necessary to satisfy the emergency need.

MCI-347.B. defines the emergency procurement approval limits. Emergency procurements with a value in excess of \$35,000 must be approved by the County Administrative Officer. Emergency procurements of \$35,000 or less require the approval of the Director of Materials Management.

To what department or departments is this authority granted?

All County departments with approval of County Administrative Office.

j. Who is responsible for oversight of procurement in your county? (*Please check all that apply.*)

- Legislative committee
- Chief elected officer
- Chief administrative officer
- Central county office
- Department heads
- Division heads
- Other (*Please explain.*)

k. Who approves *small* purchases in your county? (*Please check all that apply.*)

- Chief elected officer
- Chief administrative officer
- Central county office

- Department heads
- Division heads
- Other (*Please explain.*)

Certified Agency Procurement Aide (CAPA)

The intent of the CAPA program is to delegate limited procurement authority to County departments and agencies. This delegated authority carries with it the responsibility to comply with the Maricopa County Procurement Code (MCPO), follow County policies and procedures, use good judgement, and act in a fair and ethical manner.

CAPA's are authorized to make procurements for commodities and specific services under the following conditions:

1. Single transactions with a vendor for an item or grouping of items shall not exceed \$2,500.00 for non-contract items after obtaining a minimum of three (3) written or verbal quotes which must be documented and included in the procurement file.
2. Single transactions with a vendor for an item or grouping of items shall not exceed \$10,000.00 for items contained on a County contract.
3. Cumulative expenditures for an item or grouping of similar non-contract items shall not exceed \$5,000.00 per fiscal year.
4. Cumulative expenditures for an item or grouping of similar contract items shall not exceed \$50,000.00 per fiscal year. This dollar amount may be increased with the approval of the Chief Procurement Officer.
5. Purchases of \$1,000.00 or less are considered nominal value and do not require competitive pricing.

Refer to attachment FM-29.k.-1, Certified Agency Procurement Aide policy.

30. Does your county face any challenges or problems in the areas of contracting or purchasing? In particular, please describe any obstacles that inhibit efficient contracting or purchasing.

The burdensome requirements of government procurement, intended to ensure fairness and lowest cost, make it difficult for departments to compete with private-sector rivals. The risk-averse nature of government makes meaningful change more difficult and lengthy.

From a policy standpoint it is difficult to engage policymakers in making significant and meaningful change to antiquated procurement statutes due to other competing priorities that have a much larger constituency. For example, the Arizona State Legislature

during its 2000 session made minor changes to the state procurement statutes and formed a procurement reform study committee composed of legislators, the business sector, and representatives of local governmental entities. The mandate of this committee was to review current state statutes, the existing business environment, and formulate recommendations that would be considered during the next legislative session. The end result of this mandate was that the committee was never called together and its charter expired without any substantive recommendations.

Finally, competition from the private sector as well as other governmental jurisdictions, compounded by a low overall unemployment rate, has made it more difficult to recruit and retain qualified procurement professionals. The County has addressed this problem by raising salaries to market rates, and as a result turnover in the procurement agency has been reduced.

31. Please describe any ways in which the information technology currently in place for managing purchasing or contracting either impedes or dramatically enhances your county's ability to manage its purchases or contracts.

Maricopa County utilizes a central financial system from American Management Systems (AMS). This application is a financial system with a procurement subsystem. The procurement module offers limited functionality and features to increase the overall efficiency of procurement activities. The strength of the AMS system is that it tightly integrates the order and payment processes, which eliminates the need for complex system interfaces. Maricopa County is currently evaluating electronic procurement options with the goal of implementing a system that provides the features and functionality required of a dedicated procurement solution that can be interfaced to the AMS system to capture financial data.

Technology has contributed to the success of the County's purchase card program described in question 32. Through the use of a software application provided to the County by our purchase card provider, employees issued purchase cards are able to reconcile their transactions, change accounting information and identify potential fraud. Expenditures are uploaded to the County central financial system where transactions are spread to the appropriate funding sources and a lump sum payment is issued to the purchase card provider. This system also provides a means for monitoring personnel within the County's central procurement office to review transactions to assure compliance with purchase card usage policies.

The implementation of a standardized e-mail system within the County has dramatically increased the ability of procurement staff to communicate with their user department customers. Through the use of e-mail, specifications and other procurement-related communications can be conducted almost instantaneously, significantly reducing procurement cycle time.

32. Has your county made any recent improvements or adopted any innovative practices in contracting or purchasing? In particular, does your county use any innovative contracting arrangements?

One method of procurement that Maricopa County has embraced is cooperative procurement.

Through the use of cooperative procurement agreements, many governmental entities, including Maricopa County, are achieving volume pricing that in the past has not been attainable through independent contracting efforts. By banding together and combining the requirements of several jurisdictions, governmental entities have a greater ability to influence the market for certain commodities and services. We believe that the opportunities and benefits have only recently been realized and that this type of procurement activity will be further enabled through the use of technology for communicating requirements and placing orders. Technology will render geography irrelevant and promote greater cooperation.

Maricopa County implemented a purchase card system over six years ago, with the initial focus on increasing the effectiveness of small-dollar purchases. As the system has matured, its applicability to larger and more diverse procurements have been recognized and implemented. Currently, annual procurement card activity exceeds of \$20 million dollars, and is anticipated to grow (see Maricopa County Procurement Card Policy, Attachment FM 32.a.-1).

Maricopa County recently awarded a credit and debit card processing contract. This contract will allow County departments and agencies to accept credit and debit cards for many of the services and information currently offered. Examples of the areas where this service will be directly applicable include filing fees, payment of fines and court-related fees, permit fees, and animal adoption fees. The potential of offering taxpayers the option to use credit or debit cards for payment of property and other taxes is also being actively explored.

Due to difficulties and department dissatisfaction with the County's use of contract travel agents, the Board of Supervisors approved an innovative travel procurement policy that permits departments to utilize the Internet for comparing prices and making travel, car rental,

and lodging reservations. Use of this alternative method for travel has reduced total travel costs and dramatically increased overall satisfaction.

In 1998, Maricopa County entered into a purchasing agreement with a Group Purchasing Organization (GPO) to minimize costs to our health system. The arrangement was secured through the Intensive Resource Group contract, which is in place to provide management services for the County's health system. Maricopa Integrated Health System is utilizing this GPO for procuring pharmaceuticals and other medical supplies. Over the last three years the County has saved over \$5 million and 10% of gross costs through utilization of this GPO.

The Department of Materials Management established a centralized contract monitoring function approximately three years ago to provide the ability to continuously review contract activity. The objective of this function is to provide assurance that both the contractor and the County are in compliance with contract terms, conditions, performance requirements and pricing. Input is obtained from the individual responsible for conducting the procurement, the assigned contract administrator, and the contractor to assure that all parties have an opportunity to make known their concerns and problems. The results of this monitoring activity are formalized in a report and issued to the responsible parties for resolution. Contracts are selected for monitoring based on their complexity, history or problems, assessed risk to the County, and dollar value (see Contract Monitoring Procedures, Attachment FM-32).

Thank you for your valuable assistance in providing this information.

Please provide the names, contact telephone numbers, and email addresses for those who completed this section of the survey:

Name: Christopher Bradley Job Title: Budget Manager

Phone: (602) 506-4960 Email: cbradley@mail.maricopa.gov

Name: Shelby Scharbach Job Title: Deputy Finance
Director

Phone: (602) 506-1367 Email: sscharbach@mail.maricopa.gov

Name: Andrew Huhn Job Title: Deputy Finance Director

Phone: (602) 506-2578 Email: ahuhn@mail.maricopa.gov

As you know, Governing magazine will follow up with interviews on the topics covered in this survey. To make sure that the proper people are interviewed, please provide suggestions and contact numbers below.

Who would you recommend that we contact for interviews about budgeting, accounting, and financial reporting?

Name: Christopher Bradley Job Title: Budget Manager

Phone: (602) 506-4960 Email: cbradley@mail.maricopa.gov

Name: Andrew Huhn Job Title: Deputy Finance Director

Phone: (602) 506-2578 Email: ahuhn@mail.maricopa.gov

Who would you recommend that we contact for interviews about investment and debt management?

Name: Tom Manos Job Title: Chief Financial Officer

Phone: (602) 506-8912 Email: tmanos@mail.maricopa.gov

Name: Shelby Scharbach Job Title: Deputy Finance
Director

Phone: (602) 506-1367 Email: sscharbach@mail.maricopa.gov

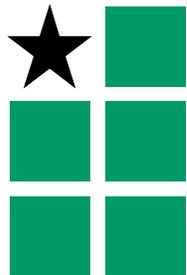
Who would you recommend that we contact for interviews about procurement, purchasing, and contract management?

Name: Wes Baysinger Job Title: Materials
Management Director

Phone: (602)506-3247 Email: _____

Name: _____ Job Title: _____

Phone: _____ Email: _____



**GOVERNMENT
PERFORMANCE
PROJECT**

**COUNTY GOVERNMENT SURVEY
HUMAN RESOURCES MANAGEMENT
SECTION**

April 2001

PLEASE REFER QUESTIONS TO:

Anthony Stacy
Project Manager
Alan K. Campbell Public Affairs Institute
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HUMAN RESOURCES MANAGEMENT

This section is designed to measure the effectiveness of your county's human resources management (HRM) system. Information regarding the structure of the HRM system, the degree to which it is integrated with other systems in pursuit of the county's mission, and the ability of HRM structures and procedures to adapt are emphasized.

BACKGROUND TO THE GOVERNMENT PERFORMANCE PROJECT

Since 1996, under the auspices of The Pew Charitable Trusts, the Maxwell School of Citizenship & Public Affairs at Syracuse University, in partnership with *Governing* magazine, has rated the management performance of local and state governments and selected federal agencies in the United States. The project, called the Government Performance Project (GPP), is administered by the Maxwell School's Alan K. Campbell Public Affairs Institute.

The project aims to improve the understanding and practice of government management throughout the United States on the city, county, state, and federal levels. It evaluates the effectiveness of management systems by considering government performance in five categories: financial management, human resource management, information technology, capital management, and managing for results. Each category is addressed by a separate section in this survey. For each category, governments are evaluated based on this survey, interviews, and an analysis of published documents.

While the project highlights overall management capacity, it focuses on the role of leadership, the integration of the five categories, as well as the communication of government performance issues to the citizenry.

In 1998 the project studied and rated government performance of the 50 states and 15 federal agencies. The results were published in the February 1999 issues of *Governing* and *Government Executive*. The results were also widely reported by leading print, radio, and television media.

In 1999 the project evaluated government performance in the top 35 U.S. cities by revenue and of five federal agencies. These results were published in the February 2000 issue of *Governing* and the March 2000 issue of *Government Executive*.

In 2000 the GPP reevaluated the 50 states and the results were published in the February 2001 issue of *Governing*. This year the GPP will evaluate 40 county governments.

The Maxwell School will add the data collected to its clearinghouse of information and continue to expand this resource of government management practices. Ultimately, government entities will have the opportunity to learn from one another and exchange valuable information through the efforts of this project.

GPP CONTACT PERSON

For more information on the GPP, please visit our website at: www.maxwell.syr.edu/gpp. If you have any questions regarding this survey or the GPP in general, please direct your inquiries to Anthony Stacy, at gpp@maxwell.syr.edu or 315-443-9707.

HUMAN RESOURCES MANAGEMENT EVALUATION CRITERIA:

1. Government conducts strategic analysis of present and future human resource needs.
 - Government has sufficient data about its workforce to support analysis.
 - Government plans ahead to meet its future workforce needs.
2. Government is able to obtain the employees it needs.
 - Government hires employees in a timely manner.
 - Government managers have appropriate discretion in the hiring process.
 - Government conducts effective recruiting efforts.
 - Government hires appropriately skilled and qualified employees.
3. Government is able to maintain an appropriately skilled workforce.
 - Government conducts appropriate training to develop and maintain employee skills.
 - Government is able to retain skilled and experienced employees.
 - Government is able to discipline employees.
 - Government is able to terminate employees.
4. Government is able to motivate employees to perform effectively in support of the government's goals.
 - Government is able to reward superior performance through pay and other cash and non-cash incentives.
 - Government is able to evaluate the performance of its employees effectively.
 - Sufficient opportunity for employee feedback exists.
 - Government is able to maintain productive labor-management relations.
5. Government has a civil service structure that supports its ability to achieve its workforce goals.
 - Government's classifications system is coherent and of the appropriate size.
 - Government personnel policies permit appropriate flexibility in the civil service and pay structures.
 - Government's human resources goals and policies are communicated to employees.

DEFINITIONS OF TERMS USED IN THIS SURVEY:

Bonus: Performance-based pay that does not increase an employee's base salary.

Civil servants: Individuals whose entry into government is based on merit criteria rather than political considerations, and who have the protections of some formal personnel rules governing hiring, firing, reward, and discipline. In this survey, the terms "civil servants" and "classified employees" are synonymous.

Classified employees: Persons whose positions have formal (legal) civil service protections.

Competency pay: Pay determined by the competencies an employee has or obtains.

Department: Any administrative subdivision or unit of government (also in some cases called a board, bureau, commission, department, etc.) having the primary purpose of executing some governmental functions or laws.

Gain sharing: Distribution of gains realized from improving performance and/or controlling costs to groups and/or teams of employees.

Part-time employees: Persons who work less than 35 hours per week.

Pay for performance: Performance-based increases to an employee's base salary.

Performance appraisal: An evaluation of an employee's progress or lack of progress measured in terms of job effectiveness.

Position classification: The clustering of government jobs according to their nature, qualifications required, duties performed, and responsibilities assumed.

Skill pay: Pay determined by the amount of knowledge or skill level of an employee.

Temporary employees: Persons hired for a limited duration (usually less than one year).

Workforce planning: A systematic assessment of county workforce content and composition that determines what actions the county needs to take to respond to future needs of county government. The planned steps may depend on both external factors (e.g. skill availability in the labor market) and internal factors (e.g. age and competencies of the county workforce). The analysis is used to plan whether future skill needs of county government will be met by recruiting employees, by promoting employees, by training employees, or by using a contractor.

INSTRUCTIONS FOR COMPLETING THE SURVEY ELECTRONICALLY:

This document is a Microsoft Word form. A form is a structured document with spaces reserved for entering information. This survey, containing check-boxes and fill-ins, can be viewed and completed in Word.

- *To check a box:* Use your mouse to move the arrow over the box you want to check and click once. To uncheck the box, click again.
- *To enter text in a fill-in box:* Move your mouse over the gray box. The arrow will change to a cursor. Click once to highlight the box. Begin typing. All fill-ins have unlimited capacity.

To enable electronic completion, the file has been password protected. Text can only be written in fill-in boxes. To provide comments on a question, include a separate page of comments with reference to the question number.

If you encounter difficulties completing the survey electronically, you may contact the project manager at (315) 443-9707 for troubleshooting assistance. The document can also be printed and filled in manually.

PLEASE SUBMIT THE FOLLOWING DOCUMENTS AND INFORMATION WITH THE SURVEY:

(Note: If these materials are available online, you may simply identify the URL at which they may be found.)

- Human resources management regulations, policies, and procedures (including but not limited to classification, hiring, discipline, performance appraisals, grievances, training, and termination) (A)

Employee Merit System Rules - ebc.maricopa.gov/pp/hr/tocs/EmpMerit_TOC.asp

**Law Enforcement Officers Merit System Rules -
ebc.maricopa.gov/pp/hr/tocs/LawMerit_TOC.asp**

**Judicial Merit Rules -
www.superiorcourt.maricopa.gov/hr/job_query.asp?categoryf=Court**

Ethics Handbook - ebc.maricopa.gov/Library/ethics/pdf/ethics_handbook.pdf

HR 2401 Informal/Formal Discipline - ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp

**HR 2402 Predisciplinary Action Hearing -
ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp**

HR 2403 Reductions in Force - ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp

HR 2404 Referral Placement Program - ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp

**HR 2405 Employee Concerns Resolution Program -
ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp**

**HR 2406 Workplace Professionalism: Avoiding Harassment & Discrimination -
ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp**

HR 2407 Drug Free Workplace - ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp

HR 2408 Violence in the Work Place - ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp

HR 2409 Teleworking - ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp

HR 2410 Transitional Duties - ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp

**HR 2413 FMLA-Approved Leaves of Absence -
ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp**

**HR 2414 Ergonomic Training and Work Analysis -
ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp**

HR 2416 Pay Differentials - ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp

HR 2417 Military Leave - ebc.maricopa.gov/pp/hr/tocs/Admin_TOC.asp

A2313 General Travel Guidelines - ebc.maricopa.gov/pp/admin/pdf/a2313.pdf

Leave Plan - ebc.maricopa.gov/pp/hr/pdf/leave.pdf

Compensation Plan - ebc.maricopa.gov/pp/hr/pdf/compensation_plan.pdf

Compensation Related Forms - ebc.maricopa.gov/management/hr/

**Payroll/Employee Records Web Site for Employment , Payroll Forms and Guidelines -
ebc.maricopa.gov/HR**

**Know Your Benefits -
www.maricopa.gov/benefits/pdf/current_benefit_plan_booklet.pdf and
ebc.maricopa.gov/benefits/pdf/current_benefit_plan_booklet.pdf**

**CIGNA - www.maricopa.gov/benefits/default.asp?link=cigna and
ebc.maricopa.gov/benefits/default.asp?link=cigna**

**Health Select - www.maricopa.gov/benefits/default.asp?link=healthselect and
ebc.maricopa.gov/benefits/default.asp?link=healthselect**

**United Concordia Dental - www.maricopa.gov/benefits/default.asp?link=concordia and
ebc.maricopa.gov/benefits/default.asp?link=concordia**

**Protective Dental - www.maricopa.gov/benefits/default.asp?link=united and
ebc.maricopa.gov/benefits/default.asp?link=united**

**Health Care Rates - www.maricopa.gov/benefits/default.asp?link=rates and
ebc.maricopa.gov/benefits/default.asp?link=rates**

**Healthy Links - www.maricopa.gov/benefits/default.asp?link=health_info and
ebc.maricopa.gov/benefits/default.asp?link=health_info**

**Mariflex Flexible Spending Accounts -
www.maricopa.gov/benefits/default.asp?link=mariflex and
ebc.maricopa.gov/benefits/default.asp?link=mariflex**

**Retirement/Deferred Compensation -
www.maricopa.gov/benefits/default.asp?link=retirement and
ebc.maricopa.gov/benefits/default.asp?link=retirement**

**Disability - www.maricopa.gov/benefits/default.asp?link=disability and
ebc.maricopa.gov/benefits/default.asp?link=disability**

**Life Insurance - www.maricopa.gov/benefits/default.asp?link=life and
ebc.maricopa.gov/benefits/default.asp?link=life**

**Important Phone Numbers - www.maricopa.gov/benefits/default.asp?link=phone and
ebc.maricopa.gov/benefits/default.asp?link=phone**

**Benefits Newsletters and Announcements -
www.maricopa.gov/benefits/default.asp?link=news and
ebc.maricopa.gov/benefits/default.asp?link=news**

**Forms -www.maricopa.gov/benefits/default.asp?link=forms and
ebc.maricopa.gov/benefits/default.asp?link=forms**

**Archives - www.maricopa.gov/benefits/default.asp?link=archive and
ebc.maricopa.gov/benefits/default.asp?link=archie**

Attachments:

**Attachment HR-Document/Information Requested (A)-1: "Know Your Benefits"
brochure**

**Attachment HR-Document/Information Requested (A)-2: "What's New for 2001?"
benefit information**

**Attachment HR-Document/Information Requested (A)-3: 2001 Open Enrollment
Poster**

**Attachment HR-Document/Information Requested (A)-4: 2001 Hospital
Reimbursement Information**

Attachment HR-Document/Information Requested (A)-5: Payroll Liaison Handbook

**Attachment HR-Document/Information Requested (A)-6: County Payroll Procedure
Book**

Attachment HR-Document/Information Requested (A)-7: Inprocessing Guide

Attachment HR-Document/Information Requested (A)-8: Outprocessing Guide

**Attachment HR-Document/Information Requested (A)-9: Maricopa County Employee
Compensation Plan Draft Revisions**

**Attachment HR-Document/Information Requested (A)-10: Maricopa County Flexible
Work Schedule Reference Guide**

Attachment HR-Document/Information Requested (A)-11: Maricopa County Ergonomics Program

- Copies of any laws that govern your civil service system or structure (B)

Attachment HR-Document/Information Requested (B)-1: Arizona Revised Statutes Annotated, Constitution of the State of Arizona, Article XXV. Right to Work

Attachment HR-Document/Information Requested (B)-2: Arizona Revised Statutes Annotated, Title 11. Counties. Chapter 2. Board of Supervisors. Article 10. County Employee Merit System

Attachment HR-Document/Information Requested (B)-3: Arizona Revised Statutes Annotated, Title 38. Public Officers and Employees. Chapter 3. Conduct of Office. Article 7. Civil Service Preference for Veterans

Attachment HR-Document/Information Requested (B)-4: Arizona Revised Statutes Annotated, Title 38. Public Officers and Employees. Chapter 7. Merit Systems. Article 1. Law Enforcement Officers Merit System

- Human resources strategic plan (C)

Attachment HR-Document/Information Requested (C)-1: Maricopa County Human Resources Strategic Plan

Attachment HR-Document/Information Requested (C)-2: Maricopa Integrated Health System Strategic Plan

- Workforce plan (D)

Attachment HR-Document/Information Requested (D)-1: Maricopa County Workforce Planning Guide (draft)

- Training catalogue (E)

Attachment HR-Document/Information Requested (E)-1: Maricopa County Employee Course Catalog

- Classification scheme (F) -- N/A

- Compensation schedule (G)

Attachment HR-Document/Information Requested (G)-1: Maricopa County Employee Compensation Plan

- Any studies or evaluations (such as performance audits) that relate to how your county carries out its human resources management **(H)**

Attachment HR-Document/Information Requested (H)-1: Maricopa County Internal Audit Department's Payroll System Audit, June 2000

- Organization chart for the human resources department **(I)**

Attachment HR-Document/Information Requested (I)-1: Maricopa County Human Resources Organizational Chart

- Annual report of the human resources department, if one exists **(J)**

Attachment HR-Document/Information Requested (J)-1: Maricopa County 1999/2000 Annual Report, Issued on behalf of the Merit Commissions of the Employee Merit System and Law Enforcement Officers Merit System

- Any web sites at which employees can access information about your county's human resources policies **See listing provided on page 6 - 8.**

PLEASE ANSWER THE FOLLOWING QUESTIONS ABOUT HUMAN RESOURCES MANAGEMENT IN YOUR COUNTY:

1. In the table below, please indicate about how many employees your county had in the following categories for the past two fiscal years:

Classified: Persons whose positions have formal (legal) civil service protections

Part-time: Persons who work less than 35 hours per week

Temporary: Persons hired for a limited duration (usually less than one year)

YEAR	CLASSIFIED		NON-CLASSIFIED		TEMPORARY	TOTAL EMPLOYEES
	Full-time	Part-time	Full-time	Part-time		
Current	11,774	535	1,595	1,164	872	15,940
FY2000	11,438	566	1,549	1,040	1,142	15,735
FY1999	10,995	562	1,513	918	1,024	15,015

2. Please provide the following information about your county's workforce:

- a. Average age of your county's workforce: 43
- b. Number of employees at the top of their salary grade: 781
- c. Average salary of full-time, classified employees: \$ 16.35 per hour
- d. Average salary of full-time, non-classified employees: \$ 31.04 per hour
- e. For classified employees, average number of years of employee service to your county government: 6.91
- f. Retirement eligibility age: See Attachment HR-2.f.-1
- g. Total number of classified positions in 2000: 13,490
- h. Total number of non-classified positions in 2000: 5,944
- i. Total number of classified positions in 1999: 12,443
- j. Total number of non-classified positions in 1999: 5,399

3. How many employees left your county government workforce in each of the past two years? (Note: *Please do not include temporary employees in these figures.*)

FY	VOLUNTARILY (not retirement)	IN-VOLUNTARILY	BY RETIREMENT	TOTAL
2000	2,505	533	209	3,247
1999	1,964	369	169	2,502

4. How many classification titles does your county currently have? In 1997, Maricopa county implemented a new hybrid broadband compensation plan. At the time, Maricopa County's employee attrition rate averaged approximately 20% and was worsening. The separating employees appeared to be our highest performers. While factors other than compensation contributed to this dilemma, recently completed compensation studies clearly indicated that Maricopa County's rigid classification system was a significant part of the problem. In an attempt to provide county departments with greater flexibility, to reduce turnover, and reward high-performers, the Human Resource department recommended the adoption of a compensation system that would include attributes of both traditional classification systems and private-sector "broad-band" compensation strategies.

The resulting "Flexband" system described Attachment HR-4.-1 essentially replaced Maricopa County's system of roughly 1,400 classifications with a system comprised of three distinct elements: "bands"; "market ranges"; and "working titles." This arrangement was designed in order to serve three distinct purposes.

The eight "bands" -- administrative, technical, support services, professional, physician, supervisory, managerial, and upper management -- were established by the Board of Supervisors, and were principally for data analysis and communications purposes. Using the bands, communications can be directed to specific groups of employees, such as supervisors or managers -- a feat that was nearly impossible under the prior system. Likewise, band information provided the Human Resources Department with the data to facilitate demographic analysis and workforce planning.

"Market ranges" are the heart of the new system. They are established by the Human Resources Department under authority delegated by the Board of Supervisors to provide limitations on the department's discretion regarding pay practices. Salary adjustments for positions must be validated through the Office of Management and Budget, and be within the capacity of a department's adopted budget. All market ranges are assigned to one of the eight bands, and provide minimum and maximum allowable salaries based on the market range. Another major innovation of the new system was that, unlike our prior system, market range minimums and maximums are determined based on "average actual" compensation instead of an artificially determined percentage spread off of mid-point. This ensures that market minimums represent more realistic starting salaries, and that the maximums are likewise closer to top salaries paid in the actual marketplace. Additionally, the Human Resources Department provides departments with guidance on the placement of employees within the applicable ranges based on performance, experience, and internal equity as illustrated in the Compensation Matrix, Attachment HR-4.-2.

Finally, "working titles" are the names given by departments to individual positions. Classification names do not always adequately reflect the specific nature of jobs. The new compensation system was able to remedy this situation by simply allowing departments to call the position by the appropriate working title.

All County employees (both classified and unclassified) fall under the compensation system. Judicial Branch employees, in our court departments, are technically state employees. As a result, they fall under a separately-managed classification system which is similar to that of state employees. They utilize 190 classifications in that system.

In addition to the Judicial branch, there are 10 classification in use in the Sheriff's Office for sworn and detention officers. There are also 9 classifications utilized for Elected Officials whose salaries are set by statute.

While Maricopa County's compensation continues to be streamlined and improved, it has provided a considerable amount of flexibility to departments and has played a significant role in Maricopa County's dramatically improved employee attrition rate.

5. Does a single civil service classification system exist countywide?

No Yes

6. Is there a separate classification system for at-will or non-civil service employees?

No Yes

7. By which of the following is your county's civil service system governed?

County statute

County charter

State constitution

Other (*Please specify:* State Statutes: A.R.S. § 11-351, Arizona Revised Statutes Annotated, Title 11. Counties. Chapter 2 Board of Supervisors Article 10. County Employee Merit System described in Attachment HR-7.-1. A.R.S. § 38-1001, Arizona Revised Statutes Annotated, Title 38. Public Officers and Employees Chapter 7. Merit Systems Article 1. Law Enforcement Officers Merit System as described in Attachment HR-7.-2. County Board of Supervisor approved Employee Merit System Rules, Attachment HR-7.-3, and Law Enforcement Officers Merit System Rules, Attachment HR-7.-4.
_____)

8. Does your county use broad-banding for classifying any of the following?

- All employees
- All classified employees
- All non-classified employees
- Executives
- Managers
- Specific departments (*Please specify: All departments except those discussed below are broad-banded. Judicial Branch employees are technically state employees funded through Maricopa County.*)
- Specific classifications/occupations (*Please specify: All employees except Elected Officials, sworn and detention officers in the Sheriff's Office, and the employees of the departments in the Judicial Branch are broad-banded.*)

If your county has undertaken a pilot program in this area, please describe it.

In 1997, Maricopa County adopted a new classification and compensation strategy which replaced the existing structured and rigid classification system with eight broad-bands as described in the Proposal to Implement a New Compensation Plan, Attachment HR-8.-1. The new plan was not piloted in a specific department, but was rolled out for use countywide with the Maricopa Integrated Health System being implemented slightly ahead of other departments. Within each broad-band, specific market ranges for individual jobs are developed by the Human Resources Department. These market ranges are based on average salary ranges within the relevant market in which the County competes for applicants. Each job analyzed has its own unique market range. Departments have the latitude to establish working titles for their positions and are encouraged to develop career and salary progression plans within the established market ranges for their employees. The recommended progression is based on a combination of quality of work performance and the attainment of specific competencies identified by the department as applicable to the job. The attainment of these competencies can be demonstrated through completion of coursework or training; qualification for certifications, licensures or registrations directly related to the job; demonstrated ability to perform higher more complex duties; etc. For a description see the Maricopa County Compensation Plan, Attachment HR-8.-2. For more information, see answer to question 4.

9. What obstacles does your county confront that prevent the classification system from working at an optimal level?

Since Maricopa County's classification and compensation system is more akin to that of a private sector organization than that of other governments, our answer to this question is probably going to be somewhat unusual. Unlike typical governmental classification systems designed to emphasize cross-departmental parity, Maricopa County's system

gives departments a comparatively high degree of discretion in setting pay rates within the market ranges established by the Human Resources Department. As a result, the most significant challenge facing Maricopa County is an atypical one: controlling “internal” rather than “external” turnover; i.e., finding appropriate means to limit a department's ability to entice qualified employees away from other departments. This is a particularly acute issue with internal service departments, such as the Office of Management and Budget and Finance Department, where knowledge of internal systems operations is a highly-valued commodity. To address this issue, many departments like the Office of Management and Budget, have adopted internal compensation strategies that offer salary advancement predictability to their staff, often times discouraging job movement.

Finally, another major challenge is to simplify the demand placed on the administration of our system. Under our new classification & compensation system, departments are permitted to submit requests for salary increases and working title market reviews at any time throughout the year. As a result, the workload placed on the Human Resource's Compensation Division is a heavy one, and providing timely responses to departments has been difficult. Over 1,400 market reviews have been completed since 1997. We are continuing to work toward a more streamlined process that will allow for adequate review time while still meeting department expectations. A change to the classification system which will reduce the number of working titles is being developed, and will be introduced in fiscal year 2001-02.

10. Please describe any changes or innovations in your county's classification system since 1999.

In FY 2001-02, Maricopa County will be fine-tuning our classification strategy to better categorize the current working titles by common job duties. This will reduce the number of active working titles and will allow better countywide job definitions.

In January of 2000, Maricopa County joined with the other counties in the Arizona Association of Counties to begin development of a web-based job description and compensation program called HR WebSuite, Attachment HR-10.-1. This will allow us to easily locate similar job descriptions for use in Maricopa County.

The JobScript component of HR WebSuite is a job description development tool that currently has over 20,000 duty and requirement statements in its database to help create and customize both job descriptions and class specifications. With this tool, the County will develop job descriptions for all employees as part of the Managing For Results Strategic Planning process. Central Human Resource's Compensation Services is developing training and has scheduled a September 2001 implementation.

11. In the table below, please indicate what percentage of each type of employee is covered by each of the compensation systems.

COMPENSATION SYSTEM:	Senior Executives	Classified Employees	Managers	Total Workforce
Graded system	%	%	%	%
A market-based system	%	%	%	%
A pay banding system	%	%	%	%
Skill-based pay	%	%	%	%
Pay for performance	%	%	%	%
Other: <u>Our compensation plan is a blend of several systems. Please see attachment (HR-11.-1) for a detailed explanation.</u>	100%	100%	100%	100%

12. What obstacles does your county confront that prevent the compensation system from working at an optimal level?

Our compensation plan's flexibility has allowed us to overcome many obstacles; however, compensation strategies adopted by individual departments may vary, sometimes creating minor inequities among departments.

In addition, Maricopa County is entering the final phase of a five-year strategy to bring employee compensation within 5% of the average market midpoint. To achieve this goal, Maricopa County has found it necessary to invest over \$20 million a year in new funding into our compensation system. On average, approximately 5% was added to the salary base in each of the last three years. The increases were not applied across the board. Some positions required adjustments of over 20% while others needed no adjustment to retain market parity. An example of how this strategy was accomplished, and how individual salary increases were determined is included as Attachment HR-12.-1, for our Department of Medical Eligibility. This has resulted in significant salary increases for a broad range of employees countywide. However, as the five-year strategy comes to a close, the economy is slowing and the County's attrition rate is now below 10%, funding of market issues is expected to lessen considerably in the future. Our concern is that the salary increase expectation of individual employees will not

similarly diminish. We anticipate, and are currently planning for, additional employee and management education efforts to avoid this result.

Legal interpretations of A.R.S. § 38-601 have, until recently, limited the County's ability to provide lump sum performance awards by defining awards based on past performance as gifts or as unallowable additions to the legal salary. The County has for several years used a program of incentive awards designed to encourage and improve future performance. A recent broader interpretation of A.R.S. § 38-601 has allowed the County to begin development of a program to recognize past performance through several mechanisms, including lump sum awards. The County is planning on replacing the current program with this broader interpretation.

The County's technology system does not currently contain all of the data that needs to be tracked. Although we can perform our market analysis off-line, the system is not capturing market information for each working title. On-going system modifications, and changes being developed for the broad-banding classification system, will provide the needed market-based detail.

13. Please describe any changes or innovations in your county's compensation system since 1999.

Maricopa County believes compensation is more than just the salary of employees. Total employee compensation includes: base salary, incentives, insurance benefits, skill-based pay, and paid time off. All are addressed in this section.

In fiscal year 1998-99, the Maricopa County Board of Supervisors recognized compensation as an important budget priority. Compensation has remained a budget priority for four years. Since the inception of the new broad-banding compensation plan, turnover has been reduced from 19.2% to 9.4%. At the beginning of this fiscal year, the average salary for Maricopa County employees was approximately 92% of the average midpoint.

For the past five years, the County has had an incentive program in place. The "Share the Savings 2001" program allows departments to recognize employees who have consistently met or exceeded their performance goals, and to encourage continued high performance levels throughout the upcoming year. Department eligibility requirements include meeting the overall budget target, completion of a strategic plan, and use of the

"Managing for Results" template. Tying compensation to our Countywide "Managing for Results" policy illustrates to the employees the importance of participation in this initiative.

The Share the Savings awards have produced terrific programs that are individualized department by department. One example is in Internal Audit. The Internal Audit Department uses an Academy Awards event to present their Share the Savings and employee recognition. In addition to a financial award that is given across the department for productivity, individual employees are recognized with the following awards: Sparkplug Award for boosting morale; a Hang in There Award for perseverance; a Nerd Award for the highest score on a project evaluation; a Behind the Scenes Award for actors in a supporting role; a You Do Us Proud Award for department recognition; the At Least We're Looking Award for the highest potential recovery and: the Show Me the Money Award for the highest actual recovery.

The County is currently in the process of drafting revisions to the Maricopa County Employee Compensation Plan to allow implementation of new and innovative methods to compensate employees. The largest change is the addition of Temporary Salary Advancements. The temporary salary advancements will increase an employee's base pay rate for a defined period of time. It will be used by departments on a case-by case basis to reward employee performance. This new flexibility will give more compensation options to departments as described in the Employee Compensation Plan Revisions, Attachment HR-13.-1.

The County's benefit plan has had significant improvements since 1999. One of the big changes is the introduction of three levels of health plans: high, mid, and base plan options from the one plan previously offered. The County increased the employer share of contributions for family coverage from 65% to 71%. Maricopa County is now covering one times the annual salary for life insurance coverage up to \$300,000. Previously the coverage cut-off was \$40,000. Other minor plan changes include: enhancement to the vision plan, increased Accidental Death and Dismemberment, short-term disability benefit increases. To improve customer service, an internet-based open enrollment process was introduced in 1999.

In July of 1999, Maricopa County implemented a multi-lingual pay differential for employees who are required to use a second language in the performance of their duties as described in HR2416, Pay Differential, Attachment HR-13.-2. A multi-lingual pay differential may be requested by an appointing authority at one of two levels of competency, associate or journey. To qualify for the differential, an employee must utilize a second language at least 5% of the work time for the associate level. Employees achieving the journey competency must utilize a second language at least 25% of the work time, and receive certification for proficiency in the second language.

Another component of the overall compensation package for employees is their paid time off. Our new employee leave plan has been rated as one of the best in Arizona according to the 1998 Watson Wyatt Comparison Study, Attachment HR-13.-3. The

employee leave plan was reformed in response to negative employee satisfaction scores. Specifically, employees indicated that the previous plan was inflexible, and did not permit them to appropriately balance their work and family lives. Management team members complained about the plan, indicating that it seemed to encourage the abuse of sick time. Maricopa County was also beginning to see an increasing trend in the number and complexity of employee claims under the Family & Medical Leave Act (FMLA) since the leave plan did not adequately track employee FMLA utilization.

At the request of the Human Resources Department, an employee group was convened in late 1996, and assigned the task of recommending changes to the county's leave plan. The resulting recommendation was truly an innovative one. Under the previous plan, a new County employee would accrue approximately 10 days of "vacation" and 10 days "sick" leave over the course of a year. (These amounts both increased with seniority.) If an employee accrued, but was unable to use, more than 240 hours of vacation leave, it was forfeited at the end of the calendar year. The new plan replaced these two categories with new categories for "personal" and "family/medical" leave. As the name suggests, family/medical leave could only be used for circumstances that fall within the FMLA's guidelines, and given this, accrued approximately 50% more slowly. In turn, personal leave was changed to accrue approximately 50% more quickly. This change was in recognition of the fact that personal leave would now also be used for minor illnesses not covered under the FMLA. The proposal also recommended that personal leave accrued over 240 hours not be forfeited, but rather be "rolled over" into the family/medical leave bank. The plan was designed to give employees more control over the use of their paid time off. Finally, the accrual levels are based not on seniority, but rather based on time within the applicable retirement system. This permits departments to attract employees from other public employers because they would be given credit toward their leave accrual rate for their experience with the prior public sector employer. Thus, an employee coming from a local city with 10 years of experience could immediately begin accruing leave at the rate of a 10-year County employee.

The new plan, adopted by the Board of Supervisors in 1997, has been well received by employees and has rewarded employees that do not abuse sick leave by allowing them to have use of a portion of that time through personal leave. Perhaps most remarkably, and in spite of a dramatically increasing national trend toward FMLA litigation, Maricopa County has not litigated any claims under the FMLA since the adoption of the new employee leave plan.

14. Please answer the following questions about your county's central Human Resource department or office:

- a. What is the mission statement of this department or office?

The mission of the Maricopa County Human Resources Department is to provide leadership and human resources systems and programs to officials, departments and agencies so that they can achieve their business goals.

- b. When was this mission statement last updated? (MM/YR) 10/00

- c. Please describe this department or office's role.

The role of central Human Resources (HR) is to provide policy development, guidance and processes for the recruiting and selection, well-being, development and benefit of employees so that they can effectively contribute to the mission of their department.

The Human Resources department has begun to transition from merely providing services to departments to one of taking an active partnership in the departments' business. The objective of this effort is for HR staff to help clients meet their business needs by approaching and resolving issues from a more strategic perspective and in addition to providing "transitional services".

The Human Resources department will be providing quality human resource consultants, both generalists and specialists, to County agencies and departments. Human Resources does have the capacity in terms of employee knowledge and skills to be able to deliver direct consulting services to departments and business units. HR consulting will be considered an integral part of the departments success.

- d. How is this department or office organized?

The central Human Resources department is organized by programs as identified in our Strategic Plan. The major program areas are: Workforce Planning, Business Performance, and Total Compensation as defined in the Human Resources Organization Chart, Attachment HR-14.d.-1.

- e. How many employees work for this department or office? 81
- f. Please describe how your county's central Human Resource department or office communicates its goals to county employees.

Central Human Resources takes advantage of many opportunities to communicate its goals and strategies to employees. A new employee's first experience is at New Employee Orientation (NEO), a half day session to acquaint all new employees with County policies and employee resources. Recently NEO has been redesigned to include a demonstration of the County's intranet site, the Electronic Business Center, (EBC) as another source for employee information. Currently, Human Resources has more that 30 different sites in the EBC Index.

Newsletters are also used to communicate to employees. HR issues are frequently featured in the monthly employee newsletter, Newline, Attachment HR-14.f.-1, which is distributed to all employees with their paychecks. A bi-monthly newsletter of current Human Resources issues, The Jefferson Street Journal, Attachment HR-14.f.-2 is electronically distributed to department directors and HR liaisons for their information and sharing at department meetings.

Human Resources communicates its mission and goals through consultations with departments and through training on HR topics. HR staff also communicates information through the Annual County Employee Picnic; Fitness Evaluations; Job Fairs; Education Fairs; and Employeeentainment Festivals.

15. Please describe any recent reforms to your personnel or civil service system, particularly legislative or statutory changes or executive orders.

On December 15, 1997, the Board of Supervisors approved a major reform of the Employee Merit System rules for general County employees. The major changes included increased flexibility in the recruiting and certification processes and a complete

revision of Maricopa County's Leave Plan. The new leave plan represented the first major update in the leave of absence policy in almost thirty years.

16. Does your county's central Human Resources department or office have a strategic plan?

No Yes If so, in what year was it adopted?

The first Strategic Plan was adopted in Maricopa County HR in 1992 and is revised annually. The latest version was adopted in 2000 see HR-Doc/Info Requested (C) -1, the Maricopa County Human Resources Strategic Plan.

Please attach a copy.

17. How often is the Human Resources strategic plan amended and/or developed?

- Currently under development
- Annually
- Biannually
- Every 3 years
- Every 4 years
- Other (Please specify: _____)

18. Please indicate who has primary responsibility for the following functions. (Please check all that apply. Also, for "Other," please specify.)

FUNCTION:	Central HR staff	Department managers	Contractor or vendor	Other
Workforce planning	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Bargaining with unions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> None
Administering labor contracts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> None
Determining compensation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Developing performance appraisal instruments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Contract Management
Administering performance appraisals	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Contract Management
Determining appraisal grading/scoring schemes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Contract Management
Establishing performance expectations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Deciding timing of performance appraisals	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> HR required Annual Review
Developing classification system	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Contract Management
Conducting job analysis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Conducting job classification	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Judicial Branch
Conducting job reclassification	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Judicial Branch
Giving approval to fill positions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> OMB
Advertising open positions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> MIHS, Judicial, & MCSO
Developing recruitment plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Contract Management
Implementing recruitment plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Contract Management
Developing tests	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> MIHS
Administering tests	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> MIHS
Scoring tests	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> MIHS
Processing applications	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> MIHS
Screening application materials	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> MIHS
Ranking applicants	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> MIHS
Establishing list of qualified candidates	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> MIHS
Certifying qualified candidates	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> MIHS
Interviewing	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Contract Management
Conducting reference checks	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Contract Management
Recommending appointments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Contract Management
Making appointment decisions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Contract

				Management
Obtaining internal approvals to make offers	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Contract Management
Determining promotions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/> Contract Management
Developing training and courses	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Delivering training	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tracking training	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Evaluating training	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Attendees

19. Please answer the following questions about workforce planning. (*Please refer to page 5 for a definition of “workforce planning” as it is used in this survey.*)

- a. Which of the following best describes the nature of workforce planning efforts in your county?
- Our county has a *formal* countywide workforce plan approved by the county’s legislative body, chief elected official, or chief administrative official.
 - Our county has a *formal* countywide workforce plan developed and used by the central Human Resources office.
 - Our county has an *informal* countywide workforce plan developed and used by the central Human Resources office.
 - County departments are required to develop workforce plans.
 - Our county does not conduct central workforce planning.
- b. If your county has a formal countywide workforce plan, what areas are covered? (*Please check all that apply.*)
- Staffing of current workforce
 - Age distribution of current workforce
 - Demographics (e.g. gender, race, ethnicity, etc.)
 - Skills of current workforce
 - Competencies of current workforce
 - Retirement projections
 - Succession plans
 - Employee performance levels
 - Critical hiring areas (e.g., IT or Corrections)
 - Downsizing requirements
 - Recruiting plans
 - Training plans
 - Compensation
 - Turnover
 - Labor market skill availability
 - Average years of service of current

- Short-term staffing needs (1 year or less)
- Long-term staffing needs (more than 1 year)

- workforce
- Federal occupational categories
- Other (*Please specify: For over 15 years, the Human Resource department has consulted with each County department to identify resource and training needs, and to conduct recruitment forecasting. Attachment HR-19.b.-1 includes a few samples of the checklists utilized during these annual consultations. More recently, the Human Resources department has recognized the need to expand this consultative relationship to address the broader concept of workforce planning. A workforce planning guide has been developed in draft form and is included in HR-Doc/Info Requested (D)-1, Maricopa County Workforce Planning Guide. The draft guide is scheduled for distribution and discussion with County managers during the first quarter of FY 01/02.*)

c. If your county has a formal countywide workforce plan, for how many years has your county conducted formal workforce planning at the central level? N/A

d. If your county does not conduct formal workforce planning at the central level, has it been identified as a need?

- No
- Yes

20. Does your county's central Human Resources department or office collect data about its performance or the outcomes of its efforts (such as how long it takes to fill vacant positions, how long it takes to resolve grievances, etc.)?

- No
- Yes
- A performance measurement system for human resources management is currently being developed.

If yes, in what year did it begin collecting such data? 1984 reflected in Attachment HR-20.-1.

Please attach a list of the type of data you collect.

21. Does your county have an integrated Human Resources Management Information Technology System? (By “integrated,” we mean a single system that performs multiple human resources management functions using common software and common data.)

No If no, how many different IT systems are used for HR?

Yes If yes, in what year was the system implemented?

HRMS-1994; STAR-1997 (MIHS)

Currently being developed

What is the name of system? The County uses the Human Resources Management System (HRMS). Maricopa Integrated Health System (MIHS) procured a separate Hospital Finance/HR system, STAR, because the health care industry has differing needs from a typical government human resource management system. This complexity was not needed elsewhere in the County, so the Board of Supervisors allowed this individual system to be utilized.

Who is the system’s vendor? HRMS-Integral is the vendor. STAR-HBOC Company/Creative Solution Systems, Inc. is the vendor.

22. For which of the following areas is information available from your county’s Human Resources Information Technology System(s)? (Please check all that apply.)

Compensation

Employee feedback

Benefits

Training

- | | |
|---|--|
| <input checked="" type="checkbox"/> Hiring | <input checked="" type="checkbox"/> Position history |
| <input checked="" type="checkbox"/> Recruitment | <input checked="" type="checkbox"/> Payroll |
| <input checked="" type="checkbox"/> Applications | <input checked="" type="checkbox"/> Time sheets |
| <input checked="" type="checkbox"/> Testing | <input checked="" type="checkbox"/> Retirement dates |
| <input checked="" type="checkbox"/> Certified list development | <input checked="" type="checkbox"/> Incentive compensation |
| <input checked="" type="checkbox"/> Workforce planning | <input type="checkbox"/> Career paths |
| <input checked="" type="checkbox"/> Pensions | <input checked="" type="checkbox"/> EEO data |
| <input checked="" type="checkbox"/> Performance appraisals | <input type="checkbox"/> Workers' compensation claims |
| <input checked="" type="checkbox"/> Other (<i>Please specify: <u>HRMS-Compensation, Benefits, Hiring, Workforce Planning, Performance Appraisals, Payroll, Time Sheets, Retirement Dates, EEO Data, STAR-Compensation, Benefits, Hiring, Recruitment, Applications, Certified List Development, Position Hiring, Payroll, EEO Data</u></i>) | |

23. Which of the following recruiting techniques do you use? (*Please check all that apply.*)

- | | |
|--|---|
| <input checked="" type="checkbox"/> External job fairs | <input type="checkbox"/> Online resume banks |
| <input checked="" type="checkbox"/> Internal job fairs | <input checked="" type="checkbox"/> Commercial Internet sites |
| <input type="checkbox"/> Virtual job fairs | <input checked="" type="checkbox"/> 24-hour telephone job line |
| <input checked="" type="checkbox"/> Local newspapers | <input checked="" type="checkbox"/> Open houses |
| <input checked="" type="checkbox"/> National job fairs | <input checked="" type="checkbox"/> College site visits |
| <input checked="" type="checkbox"/> Online job posting | <input checked="" type="checkbox"/> On-site interviews |
| <input checked="" type="checkbox"/> Job bulletin | <input checked="" type="checkbox"/> Letter campaigns |
| <input checked="" type="checkbox"/> Trade publications | <input checked="" type="checkbox"/> Direct hires |
| <input checked="" type="checkbox"/> Professional association | <input checked="" type="checkbox"/> Walk-in job counseling |
| <input checked="" type="checkbox"/> Paying travel for interviews | <input checked="" type="checkbox"/> Radio advertisements |
| <input type="checkbox"/> Satellite offices | <input checked="" type="checkbox"/> Postings in community centers |
| <input type="checkbox"/> Professional recruitment firms | <input type="checkbox"/> Television advertising |
| <input checked="" type="checkbox"/> Full-time recruiters | <input type="checkbox"/> Relocation expenses |

24. Are applications for jobs in your county government available online?

- No Yes Currently being developed (*Projected completion date:*
Employment applications are available via the County's website at
www.maricopa.gov/human_resources/job_query_form.asp. Applications for the Superior
Court of Arizona, County of Maricopa jobs are available at
http://www.superiorcourt.maricopa.gov/hr/openjob_query.asp?categoryf= Court. Applications

for the Maricopa Integrated Health System are available at <http://www.maricopa.gov/medcenter/employment/employment.html>.)

25. Can applications for jobs in your county government be submitted online?

No Yes Currently being developed (*Projected completion date: _____*)

26. Please answer the following questions about positions and applications in your county government: (Note: For this question, please report *totals* for the county, including positions and applications handled both by the central HR department or office and at the department level, if applicable.)

- a. How many position requests were submitted to your central human resources office in FY2000? 7,523
- b. How many positions were open in your county government during FY2000? 7,523
- c. How many positions were open in your county government during FY1999? 6,732
- d. How many positions are currently open in your county government? 964
- e. How many job applications were submitted to your county during FY2000? 44,229
- f. If applicable, how many job applications were submitted online in FY2000? None, Implemented on June 15, 2001.

27. What obstacles stand in the way of your county's recruitment effort?

The unemployment rate in Maricopa County is approximately 3.1% according to the current State of Arizona employment statistics, Attachment HR-27.-1. This is compared to the national average of 4.3% according to the Bureau of Labor Statistics, Attachment HR-27.-2. This low unemployment rate, coupled with the increased demand for government services, requires that the County constantly reassess ways to simplify and streamline the recruiting and hiring processes.

Maricopa County must compete with the other employers for a limited number of skilled employees. In recent years, it has been difficult to recruit health care workers, attorneys, detention officers, and court positions. Competitive compensation for these specific job

categories is difficult since market compensation levels may change more frequently than our annual budget process allows us to react.

28. Please describe any changes or innovations in your county's recruiting programs since 1999.

In this region of low unemployment, rising salaries, and strong competition for applicants, Maricopa County has had to be more proactive in promoting itself as the employer of choice. To enhance its recruitment efforts, Human Resources has expanded the use of non-traditional recruiting sources. The employment application and related materials for open competitive jobs can be accessed from the County's Internet site, www.maricopa.gov/jobs. A list of internal job openings is available to employees via the County's Intranet site at ebc.maricopa.gov/internal/jobs. To make the application process convenient to all applicants, the County application form may be completed on-line and submitted electronically.

Central Human Resources has developed an abbreviated application form customized for specific unclassified jobs. This abbreviated form was used in recruiting such diverse positions as temporary office support and department directors. It has allowed for a faster review of the application and provided for the referral of candidates directly to the department, thereby eliminating the certification process.

The Fax-On-Demand program enables applicants to receive application materials via a fax machine. Applicants calling 602-506-1212 may receive a catalog of all County recruitments that are open to the public. The first step in using the Fax-On-Demand program is to request a catalog of available jobs described in Attachment HR-28.-1. Once a catalog is received, applicants can again call the Fax-On-Demand program to request a specific document, such as the job announcement, application, or supplement.

To emphasize the County's commitment to attracting and retaining a diverse workforce, the staff of the central Human Resources Department have significantly increased the number of job fairs and community based events attended.

The County has also established a pool of temporary clerical workers to further complement the pool of applicants as described in Attachment HR-28.-2. This pool provides a source of applicants who are available immediately for temporary assignments without having to use the normal recruitment process.

Additionally, the County has developed employment partnerships with community-based agencies that provide education and counseling services to individuals entering or reentering the workforce. Two such agencies are the Phoenix Job Corps, a program for unemployed and under-educated youths, age 16-24, and the Arizona Women's Employment Education program, a program to assist women reentering the workforce.

The implementation of RecruitMax at Maricopa Integrated Health System (MIHS) during the past year has increased the operational efficiency of the recruitment and employment processes by having a fully automated Resume Scanning and Tracking system.

Plans are currently under way to install kiosks at the MIHS Human Resources Department to enable applicants to submit job applications on-line to minimize the reliance on hard copy forms and applications. This will assist potential applicants who do not have access to the internet.

The Maricopa County Sheriff's Office (MCSO) has instituted many innovative recruitment techniques to attract candidates for both the deputy and detention officer ranks. The office now completes orientation, testing and background checks on-location at job fairs. This has allowed the office to streamline the recruitment process. MCSO promotes career opportunities at non-traditional events such as: the Payson Rodeo, the Woman's Expo, and Boys and Their Toys. MCSO has used billboards and radio advertisements to inform potential candidates. These new techniques and tools have been successful in helping MCSO fill vacant positions in a more timely manner.

Adult Probation utilizes a Spanish Speaking Committee as a resource for developing and implementing strategies for recruiting Spanish-speaking officers and other staff. One strategy has been to expand our job fair recruitment efforts to those job fairs that emphasize Spanish speaking job opportunities.

The Flood Control District has been successful in recruiting exceptional talent by offering part-time positions to retired or ready to retire private sector or Federal engineers. Some examples are the geotechnical and dam safety engineer, a hydraulics engineer and a meteorologist. They have also started a summer intern program with local universities to give students real work experience while hoping to build a future relationship with them over the course of their studies.

In May 1999, the International Personnel Management Association recognized the Maricopa County Human Resource Department as a best practice agency for timely hiring.

29. On average, how many calendar days does it take to fill an open position in county government (from the day the position is posted or advertised until the day the new employee begins work)?

- Less than 30 days
- 30-60 days
- 61-120 days
- 121-270 days
- More than 270 days

30. Please answer the following questions about testing:

a. What percent of jobs in your county require some kind of formal testing? 12%

b. What percentage of jobs in your county require a written test? 16%

c. How often does the testing process delay the hiring process?

- Always Often Sometimes Rarely Never

d. Does your county utilize testing to evaluate candidates?

- No Yes

e. Does your county allow walk-in testing?

- No Yes

If yes, for what percent of positions requiring tests is walk-in testing used? 13.3%

If yes, at any time, or only on certain days and/or at certain times?

- At any time Certain days/times

31. Are appointing authorities provided with a certified list?

- No Yes

If yes, is the number of candidates that can be included on the certified list limited?

No Yes (How many? Under the Employee Merit System Rule, Rule 6.03, Certification of Eligibles, Attachment HR-31.-1, and the Judicial Merit Rules, Rule 6.02, Certification of Eligibles, Attachment HR-31.-2, the number of individuals certified may

range from a minimum of five names to a maximum of the entire register. A register is “an official list of eligibles for a particular job that shall be used by the Appointing Authority for selection for employment in the classified service”, described in Attachment HR-31.-3. An eligible is defined as "a person who has attained a passing score on an assessment process for a specific type of job”. The Appointing Authority has the option of identifying a specific number within that range to be certified on the Personnel Requisition, Attachment HR-31.-4.

Under the Law Enforcement Merit Systems Rules, Rules 6.02, Certification of Eligibles, and 6.03, B. Selection of Eligibles, Attachment HR-31.-5, the Appointing Authority will receive, for consideration, the top five names available. However, if more than one position is to be filled, the number certified shall be equal to the number of positions to be filled plus four.)

32. On a scale of 1 to 10 (where 10 is outstanding and 1 is terrible), how would you assess the quality of the employees your county hired in 2000? The HR Department surveyed department directors, elected officials, and judicial offices on the quality of employees hired in 2000. Eighty percent of the departments responded. On average, the response indicated that the quality of employees hired was 7.7.

33. What obstacles stand in the way of hiring new employees in the fastest and most effective manner?

The major obstacle to hiring employees in a timely manner is the decrease in the number of qualified applicants as a result of competition from other employers, other public employers, and the current low unemployment rate.

Another obstacle is the lack of qualified applicants for certain positions. For example, the Superior Court has a difficult time finding qualified applicants for senior administrative positions because many applicants lack the proper equivalent experience in a large court system.

Other positions that are difficult to fill are health care workers due to a shortage of skilled applicants. Some departments, like Correctional Health, have re-analyzed their needs and have restructured their workforce to ensure that lower level duties are assigned to Certified Nursing Assistants. This ensures that Licensed Practical Nurses (LPNs) and Registered Nurses (RNs) are only performing higher level functions.

34. Please describe any changes or innovations in your county’s hiring process since 1999.

The innovations identified in response to question 28 regarding the recruiting process have been successful in expediting the hiring of employees. These innovations have ensured the timely hiring of staff. In addition, the implementation of walk-in testing as described in response to question 30 has also had a positive impact.

35. Is countywide training available?

No Yes

36. Please answer the following questions about spending on training in your county:

- a. Approximately what were your county's overall training expenditures in FY2000 (including department expenditures and tuition reimbursement)? \$ 4.47 million
- b. What is your county's overall training budget for FY2002 (including department budgets and tuition reimbursement)? \$ 7.4 million
- c. On average, about how much does your county spend on training per county employee? * \$ 323
- d. On average, about how much does your county spend on management training per manager? * \$ 323

* Please explain how you calculated these figures.

Attachment HR-36.-1 shows the detailed calculations utilized to develop these answers. Please contact Suzanne Ashmore in the Office of Management and Budget (602-506-3549) for more information.

37. Does your county's Human Resources department or office centrally track employee participation in training and development courses?

No Yes

If yes, is there an automated training database maintained at your county's central Human Resources department or office?

No Yes

38. Do individual departments track employee participation in training and development courses?

No Yes

If yes, are there automated training databases maintained at the department level?

No Yes

39. Does the personnel department distribute a training catalog to employees?

No Yes *If yes, please attach a copy.*

40. Is there an online training catalog available?

No Yes Currently being developed (*Projected completion date: _____*)

41. Can employees register for courses online?

No Yes Currently being developed (*Projected completion date: _____*)

42. Does your county offer tuition reimbursements?

No Yes

If yes, how much is provided per course credit? \$ Upon
completion of a course, employees are reimbursed for tuition at 100% for a grade of A, 80% for a B, and 60% for a C as described in A1801, Tuition Reimbursement Policy, Attachment HR-42.-1.

If yes, what is the maximum per employee each year? \$ 5,000

43. Is there money available to support external training (e.g. to cover conference fees, travel expenses, etc.)?

No Yes

If yes, on average, how much was provided to employees for training in 2000? \$

Annually each department budgets for its own training needs, and has the flexibility to increase training dollars by reallocating funds within the department's lump sum budget. This flexibility give departments the freedom to address training issues as they surface, without waiting until the next fiscal year's budget.

44. Does your county's central Human Resources department or office conduct training needs assessments?

No Yes

If so, how often are training needs assessments conducted for:

...the central county government?

- Never
 Annually
 Semi-annually
 Biannually
 Other (Please specify: _____)

...county departments?

- Never
 Annually
 Semi-annually
 Biannually
 Other (Please specify: _____)

...job classifications?

- Never
 Annually
 Semi-annually
 Biannually
 Other (Please specify: These assessments are conducted at the department level.
_____)

45. In what other ways does your county determine its training needs?

Training opportunities are delivered both centrally by Human Resources, as well as delivered in departments to meet specific needs. Therefore training needs are assessed at both levels.

Training needs are determined centrally, based on organizational goals and expected results. These include County-wide initiatives, policy changes and emerging

technologies. Department strategic plans have also provided valuable insight into the training needs of the organization.

The central Human Resources training office coordinates a network of training officers called the Learning Resource Network (LRN). The LRN is the primary vehicle to identify needs and determine whether central or distributed training is needed. The LRN meets bi-monthly to fulfill its mission to enhance communication and encourage collaboration among training personnel in the planning, development, and scheduling of "core" employee training and development opportunities. Through this network, surveys are distributed and studies conducted. Partnerships are formed for efficient development and delivery of training. Additionally, members bring back information to both their leadership teams and their employees.

Human Resources Training Consultants are available to support departments in further development and assessment of training plans. Consultants use standard models for needs assessments and design subsequent instructional models.

Course evaluations and Employee Development Plans identify additional training needs.

46. In the table below, please indicate who provides each type of training in your county. (Please check all that apply.)

TYPE OF TRAINING:	Provided centrally	Provided by departments	Provided by contractor
Performance management	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Tuition assistance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Certified public manager program	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Computer training	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Management training	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Supervisory training	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Diversity/EEO training	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sexual harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Communication	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Conflict resolution	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Teamwork	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Total Quality Management (TQM)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Leadership	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
New employee orientation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Technical (including apprenticeships)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Customer service	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Basic skills (language, math, literacy, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
First aid and CPR	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Recruiting process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Testing process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Compensation administration	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Performance appraisals process	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Discipline process	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Grievance process	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Termination process	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reward policies and procedures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
General personnel policies	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Labor relations	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Employee benefits	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other: <u>Wellness & Personal Development Classes, lunch time brown bags on various topics, including technology.</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

47. What obstacles stand in the way of your county's training and development efforts?

The size of Maricopa County (9,222 square miles) can hinder employees at outlying sites from traveling to central training locations, and/or employees workload may conflict with the dates and times of course offerings. In order to reach these employees, the County is providing classes that are accessible from an employee's desktop, via CD, video-conferencing, or teleconferencing.

48. Please describe any changes or innovations in your county's training and development programs since 1999.

Since 1999, many training and development innovations have been implemented throughout the County. In the past two years, Maricopa County has moved beyond the basic concept of training and into employee development and performance improvement at both the County and department levels.

Recognizing the importance of building capable leaders, Maricopa County has developed some significant leadership training programs. Maricopa County's Management Institute (MCMI) is an academy available to all managers and supervisors. The Supervisor School is a 56-hour accredited program, taught by top managers and professionals in subject matter areas, Attachment HR-48.-1. It focuses on leadership development, change management, and strategic alignment. Over 700 supervisors have graduated from this highly successful program through 26 separate classes.

In 1998, MCMI was expanded to include training for Maricopa County managers, Attachment HR-48.-2. The Manager School focuses on building integrity and trustworthiness in leadership. The County Manager, along with other executive management team members, provide leadership and modeling by teaching the program. The three day program has produced 216 graduates to date. Both schools of MCMI are evaluated using standard pre/post assessments, surveys, in-class evaluations, and post-course evaluations that measure the transfer of knowledge to the workplace. Continuing development and networking opportunities are offered at annual retreats to all MCMI "alumni". These events revitalize participant's leadership skills and refocus their organizational priorities. In addition to the corporate management development programs, several departments offer job-specific management academies and "survival-skills" orientations.

In recognition of the ever-changing development needs of Maricopa County employees, the Employee Course Catalog is published bi-annually. Course offerings are available to any County employee and can be used to fulfill the needs identified in each employee's development plan. The county-wide catalog offers 291 courses to meet the diverse personal, professional, and performance needs of employees from all departments. Certificate programs provide an opportunity for employees to complete a selection of courses designed to targeted specific job skills.

Over 100 adjunct faculty teach courses offered in the Employee Course Catalog. Some of the faculty are professional educators from County departments, others are recruited and trained from departments to provide facilitation and training in topics related to their field of expertise. Faculty skills are developed through certification programs and enhanced through skill-building retreats. Besides these corporate training programs, several large county departments produce full training catalogs that deliver numerous department-specific courses in healthcare, judicial studies, and law enforcement.

Within the past two years Maricopa County has planned for and invested in automated training tools that improve access to training regardless of work schedules and locations. The most recent innovation was introduced in June. The Online Learning Center

provides 24-hour access to registration, training transcripts, and course catalogs. In addition to web-based courses, videoconferences, teleconferencing, videos, chat rooms and discussion forums are now available and are used as alternative delivery methods. On-line journals, magazines, and customer educational materials are delivered via the intranet and internet. Blended learning approaches using classroom and alternative delivery has enabled the development of creative and efficient training. An example is the New Employee Orientation. The program has been shortened by 25% through the reengineering of the delivery system via the Intranet, video, and an interactive tradeshow environment.

One of the most robust benefits offered to Maricopa County Employees is the Tuition Reimbursement program. The program provides financial incentives to employees for successful completion of job-related university courses through a reimbursement benefit. The County commits over a million dollars per year to this program. The County coordinates with three local universities to offer convenient onsite certificate, undergraduate, and graduate degree programs. These degree programs provide necessary competencies for public employees. Maricopa County also encourages employees to continue their education through educational fairs that are coordinated bi-annually. These fairs bring multiple colleges to Maricopa County to help employees plan for their educational futures. Other educational assistance programs and career development are offered by departments. Finally, our partnerships with local educational institutions create opportunities for intern programs. Intern programs in corporate management and the health system provide other new ways to educate and develop entry level personnel and recruit for key positions.

Classes and degree programs are not the only means of development for Maricopa County employees. A new Mentoring Program is in the pilot stage. This program pairs management and professional mentors with proteges from various departments. Ten pairs of employees were recruited and trained for this exciting pilot program. The mentors learn valuable coaching skills while assisting proteges in the identification and achievement of professional goals through an interpersonal process.

Many departments have implemented performance improvement training programs designed to meet department-specific needs. These include: Competency-based training plans, design of custom web-based training, electronic performance support systems, web-based competency assessment, certification programs, customer service initiatives, video training, academies to train specific positions, community partnerships, cross-training, quality initiative programs, enhanced employee development plans, tips and tricks for software applications, lending libraries, and department sponsored conferences.

49. Please answer the following questions about probation:

a. Are newly hired employees subject to a probationary period?

No Yes

b. If yes, how long is the probationary period, on average? Varies in number of days

If the probationary period varies in length, please explain how.

According to the Employee Merit System Rules, Rule 7.01, and Judicial Merit Rules, 8.01.B., the probationary period for newly hired employees is six months but can be extended by the appointing authority for up to six additional months. See Attachments HR-49.b.-1 and HR-49.b.-2. With the approval of the Human Resources Director, specific positions may have a probationary period of one year.

The Law Enforcement Officers Merit System Rules, Rule 8.01, B, provides for a one year probationary period, Attachment HR-49.b.-3. A request is currently being considered by the Board of Supervisors to allow the Appointing Authority to extend this probationary period for an additional six months.

c. What percent of new employees were fired during the probationary period, in FY2000?

7.9%

d. What percent of new employees left voluntarily during the probationary period, in FY2000?

13.1%

50. How often are permanent, classified employees formally evaluated?

Annually

Semi-annually

Quarterly

No formal evaluation is required

Other (*Please specify:* Prior to or at the close of the probationary period.

51. Which of the following performance appraisal instruments does your county use?
(Please check all that apply.)

360-degree appraisals

- Appraisals that link individual and organizational performance goals
- Peer evaluations
- Customer evaluations
- Evaluations of teams by supervisors
- Evaluations of supervisors by subordinates
- Evaluations of managers by subordinates

52. What obstacles inhibit your county's ability to have an optimal performance appraisal system?

Maricopa County has had a performance management (appraisal) system since 1977, and the County is in the process of updating it. The current system, that has been in effect since 1997, is being replaced in fiscal year 2001-02. This new performance management system will help us move towards an optimal appraisal system.

The existing system has great flexibility, but lacks the overall consistency of content necessary as we move forward. There is no centralized criteria that is utilized countywide, so it varies from department to department. The rating scale is either 3 or 4 levels, and is determined by the department management team. No standard form is required. Any performance appraisal form is accepted by the Human Resources Department, and therefore many different techniques and tools are employed throughout the County. Off the shelf and self-developed tools, including 360 degree appraisals, customer-based, peer-based and team approaches have been utilized. In question number 51, we have checked all boxes, since various departments have utilized all of the techniques listed, although not simultaneously. There is a diversity of forms and methods with the decentralized process. However, the appraisal process cycle being used has been valuable and will be continued. It recommends performance planning, monitoring, coaching and counseling, and ends with an evaluation, all on an annual basis.

The decentralized model we are using today worked in the past, but is not as effective as we would like in a Managing for Results environment. See the Performance Evaluation Report Form, Attachment HR-52.-1. It is imperative that performance appraisals align with strategic plans, performance measures, and program results. It is important for each employee in Maricopa County to understand their personal connection to the department's goals and achievements. We want them to equate their job performance with outcomes and departmental strategic success. With the existing system, this alignment is not always clear.

In November of 2000, a team was developed to revitalize the performance management process in Maricopa County. Our key motive was to drive the Managing for Results process throughout the organization. The new system will tie employee performance

plans and goals/targets directly to the department strategic plan. It will utilize a 5 level rating system with a scale that is consistent countywide. Two rating categories, results and performance factors, are part of the rating scale. All forms will be universally consistent throughout the County. Employee development plans have been added as a component of the new appraisal system, which should provide a career planning tool and will assist us with workplace planning solutions. And finally, a performance plan will be required, ensuring that all phases of the performance cycle are completed and utilized (planning, monitoring, coaching and counseling, and evaluation.) Once all of these changes are implemented, we will be close to attaining our optimal system.

53. Please describe any changes or innovations in your county's performance appraisal system since 1999.

As discussed in question 52, a new performance management system has been developed and will be implemented in fiscal year 2001-02. It will incorporate strategic plans and goals into employee performance plans and appraisals. The new performance management process is an opportunity for the supervisor and employee to discuss duties, expected results, successful work behaviors and employee development needs.

The most essential component of the new appraisal tool is the alignment worksheet. The supervisor and employee, during the performance plan development process, select the programs, activities, and services (PAS) from the strategic plan to which the employee will contribute. From this list, the employee and supervisor develop an individualized performance purpose statement. This statement stresses to the employee the importance of attaining departmental goals and their role in achievement of those goals. It is also during this discussion that measures and targets are established for the employee.

The second part of the evaluation form is used to evaluate "performance factors" which include elements of essential work behaviors that are directly pertinent to the job. There are nine possible performance factors: teamwork, problem solving, decision-making, motivation, job knowledge, time management, communication, work quality, and adaptability/flexibility. Together, supervisor and employee define the successful behaviors needed in the upcoming performance cycle.

The final new component of the performance plan is an "employee development plan". It will be included in all employee appraisals and will outline training, education, skills development, and other personal development goals for the coming year. This development plan will be an essential tool as we move forward with countywide workplace planning efforts, and will be used as a needs assessment tool for the training division of Human Resources.

54. Please answer the following questions about remuneration in your county.

a. How often does your county use pay-for-performance?

Very often Often Sometimes Rarely Never

If applicable, please identify which employees it covers.

All Maricopa County employees excluding Elected Officials and Judicial Officers are covered.

b. How often does your county use individual performance bonuses?

Very often Often Sometimes Rarely Never

If applicable, please identify which employees it covers.

For the past five years, the County has had in place an incentive program, Share the Savings, HR-54-b.-1, that allows departments to recognize employees who have consistently met or exceeded their performance goals, and to encourage continued high performance levels. Department eligibility requirements include: achieving budgeted salary savings and completion of departmental strategic plans using the "Managing for Results" template. If a department is eligible, employee eligibility is determined by the department management team through evaluation of employee performance.

c. How often does your county use group performance bonuses?

Very often Often Sometimes Rarely Never

If applicable, please identify which employees it covers.

The "Share the Savings" incentive plan discussed in HR-54-b.-1, allows departments to define their criteria for developing a departmental incentive strategy. Many departments have utilized a group performance incentive to reward achievement of specific departmental goals that require teamwork. Eligible employees would be defined by the department management team.

d. How often does your county use cost of living payments?

Very often Often Sometimes Rarely Never
If applicable, please identify which employees it covers.

e. How often does your county use skill pay?

Very often Often Sometimes Rarely Never
If applicable, please identify which employees it covers.

An employee may be eligible to receive a multi-lingual pay differential if this skill is utilized while performing job duties 5% of the time or greater. See Attachment HR-54.e.-1. , HR 2416, Pay Differentials.

The Office of the Clerk of the Superior Court has instituted a piece-rate program for specific areas within the Clerk's office in accordance with the Quality Productivity Pay Plan, Attachment HR-54.e.-2.

f. How often does your county use competency pay?

Very often Often Sometimes Rarely Never
If applicable, please identify which employees it covers.

g. How often does your county use gain sharing?

Very often Often Sometimes Rarely Never
If applicable, please identify which employees it covers.

Any employee is eligible to submit a suggestion to the "Rewarding Ideas" program. If the suggestion results in a savings to the County, a monetary award is given. Since fiscal year 1995-96, five hundred and seventy-three employees have participated in this program. The Maricopa County's Return on Investment (ROI), based on implementation of the award suggestions, has resulted in \$4,098,036 in savings. Attachment HR-54.g.-1 provides an overall summary of the five year savings.

The Public Fiduciary Department has implemented an incentive program which takes a gainsharing approach toward allocating team incentive awards. Each team member's share is contingent upon increasing the department's revenues by at least 10% over the budget goal. Each staff member who receives a full base rating on their performance evaluation, meets the performance standards of the department, and meets the criteria of the Share the Savings - Performance Incentive Program would be eligible.

The Department of Medical Eligibility (DOME) began a gain-sharing incentive program called Goals, Results, Incentive Program (GRIP) in FY 2000-01, Attachment HR-54.g.-2. The plan shares savings with employees based on achievement of quality and quantity goals established by department management during the development of the strategic plan. DOME is responsible for enrolling indigent individuals into the State of Arizona's Medicaid Program. Timely and accurate completion of their duties results in savings to the County. This plan will then share the savings with employees based on achievement of pre-established goals.

h. How often does your county use annual step increases?

Very often Often Sometimes Rarely Never

If applicable, please identify which employees it covers.

The Sheriff's Office has a step plan for its detention officers and sworn deputies, which provides for an annual step increase, contingent upon acceptable performance and funding by the Board of Supervisors. The Superior Court of Arizona in Maricopa County has put a step plan in place for probation officers. These groups represent about 13% of our workforce.

55. Please indicate how often your county uses the following non-monetary rewards and compensation.

	Never	Rarely	Sometimes	Often	Very often
a. Job flexibility related to performance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Time flexibility related to performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Performance recognition program	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Public service recognition week	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Employee of the month	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Commendation awards	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Award from the chief administrative officer	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- h. Award from the chief elected officer
- i. Other (*Please specify: Service Pins, Peak Performers Awards*)

56. What obstacles in your county inhibit rewarding superior performance of employees?

Legal interpretations of A.R.S. § 38-601 have, until recently, limited the County's ability to provide lump sum performance awards by defining awards based on past performance as gifts or as unallowable additions to the legal salary. The County has now developed a program of incentive awards designed to encourage and improve future performance. A recent interpretation of the statute has allowed the County to begin development of a program to recognize past performance through several mechanisms, including lump sum awards. This will replace the current program.

57. Please describe any changes or innovations in your county's reward and recognition programs since 1999.

Perhaps the most powerful recognition for performance has been the "Share the Savings" program whereby high rated employees have received up to \$1,500 in one lump sum at the end of the fiscal year. About 4,000 employees per year have received this at an annual cost of between \$3 and \$4 million, depending on the year.

The Rewarding Ideas Program, a program to recognize employee suggestions that result in a savings to the County, increased its maximum award from \$1,000 to \$2,500 in 1999.

The Peak Performers Program is designed to allow "on the spot" awards for catching employees acting in extraordinary ways. Samples of the Peak Performer Coupons are included as Attachment HR-57.-1. Funding for this program is provided outside the department's budget, to encourage wide-spread use. The County has encouraged departments to distribute the Peak Performer awards at department-based informal award ceremonies in front of peers. A sample of the Department of Medical Eligibility Coupons are included in Attachment HR-57.-2. Awards available to employees include movie tickets and County Store merchandise.

Since the County is so large and diverse, departments and elected offices are encouraged to provide department level recognition programs. Departments such as the County Attorney, Sheriff, Environmental Services, Office of Management and Budget, and others have annual employee(s) of the year recognition ceremonies. Special event recognition for employees at Board of Supervisor meetings occur throughout the year. Plaques, certificates, retirement mementos are given out at nearly every Board meeting. Employee recognition articles are in all department level newsletters, and the County's Newline publication.

In 1999, the Public Health Department created a Reward and Recognition Action Team comprised of frontline employees and all management levels. This team created and implemented an employee reward program called "Quality in Motion." Each year every employee is given two Quality in Motion coupons which she/he can give to anyone for a thank-you to recognize a job well done. Employees who receive three coupons receive a Quality in Motion auto mug; employees who get 10 coupons get a pair of movie tickets to a local movie theatre, 2 movie rentals or a \$10 restaurant gift certificate.

In both the Recorder's and Elections' Offices, supervisors host an "Employee Appreciation Day." Supervisors bring the fixings and prepare a picnic lunch on an outdoor patio. They've also implemented a "Hot Diggity Dawg" award, a gold hot dog on a pedestal wearing a sombrero. This award is rotated on a weekly basis to an employee who has been nominated by his/her team leaders.

The Human Resources Department uses funding from the Peak Performers Program for spot awards. Each year a different desert animal is selected as the theme. This year's awards are called the Gecko Gold. Each employee is given several coupons which may be awarded to others in recognition of their efforts. Each coupon is worth \$1 and is redeemable for merchandise from the County Store.

The Shining Star Program at Maricopa Integrated Health System (MIHS), implemented November 2000, is an employee recognition program that is used by all MIHS departments. See Attachment HR-57.-3. Patients or employees of MIHS can nominate any employee who has demonstrated service that is "above and beyond". Employees can receive a Shining Star recognition sticker or "funny money" which can be used to purchase designated prizes.

In January of 2001, Maricopa County implemented a countywide service award program, Attachment HR-57.-4. The County awards Service Pins to employees to mark each five years of service completed, through 25 years. Those employees with 30 or more years of service receive a plaque commemorating their County service

58. Please answer the following questions about employee suggestion programs:

- a. Does your county have a formal countywide employee suggestion program?
 No Yes
- b. If so, how long has it been in place? Since 1984
- c. How many suggestions were submitted in FY2000? 66
- d. What percentage of your county's departments have employee suggestion programs? 100%
- e. How are suggestions submitted?

According to the Rewarding Ideas Program Policy, A1509, employees submit suggestions via the Suggestion Form which is available from department representatives. The form can be dropped into one of several suggestion form boxes located in various buildings throughout Maricopa County.

f. Which of the following rewards are available?

- None
- Employee recognition
- Monetary award (*Please specify amount: \$ up to \$2,500.00*)

Other (*Please specify: Peak Performers Program has a limited in-kind value of \$25 and includes County T-Shirts, County Hats, Movie Tickets, and other nominal awards for high performance that is rewarded on the spot. In FY 2001-02, a new program, Innovations Now, is being proposed. It will reward new ideas that are perhaps smaller than the Rewarding Ideas program, and larger than the "Peak Performers" Program. Employees will be eligible to receive a one-time (up to \$100) net cash award, plus appropriate individual or team recognition, for ideas that help the County become more efficient and save money. Target turnaround time for evaluation and receipt of these rewards will be 30 days or less.*)

59. Please answer the following questions about employee surveys:

- a. Does your county have a formal countywide employee survey?
 No Yes

- b. If so, how long has it been in place? 1993
- c. How often is it conducted? Annually since 1997. See HR-59.c.-1 for the Maricopa Integrated Health System Employee Satisfaction Survey and HR-59.c.-2 for the Employee Satisfaction Survey 1999-2000 County Summary Report.

Please attach the results from the last survey and the survey instrument.

- d. What percent of individual departments conduct formal employee surveys? 95%
- e. How have survey results been put to use?

The Employee Satisfaction Survey has gone through a metamorphosis from being primarily for the use of upper County management to now being a management tool for individual departments. Initially, an analysis of the survey data was made at the County level and action plans were developed to address issues primarily related to communications, benefits, and rewards. The County Manager developed goals for the County as a whole and for each department. After the results of the survey are published, department directors are responsible for addressing the five areas of least satisfaction within their departments and are held accountable for developing action plans to address the issues and problems identified. A Management Guide, Attachment HR-59.e.-1, was developed to assist departments address their issues.

The Annual Employee Benefit Satisfaction measures the value employees placed on benefits and identifies areas of concern. Issues covered in that program include: health and dental benefits, vision care, vacation and other leave benefits, long-term disability, life insurance, child and elder-care, and other important issues. As a result of these benefit surveys, changes to Maricopa County's benefit package are made.

The County conducts exit interviews with employees who voluntarily leave County employment. Since its inception in 2000, 80% of employees voluntarily leaving County employment have been interviewed. Phone interviews are conducted using information from the Human Resources Management System. Data collected includes job satisfaction, management/supervisor ratings, reasons for leaving, and information about employment after leaving the County. A sample of the Exit Interview is provided in Attachment HR-59.e.-2. The data is processed, published, and distributed at the end of each quarter for the prior 12 months. Along with the County-wide report, reports are generated for each department that has sufficient numbers of exiting employees to maintain the confidentiality of responses.

60. Please answer the following questions about discipline:

a. Does your county's discipline process vary according to labor contracts?

No Yes

b. Is there a separate discipline process for at-will or non-classified employees?

No Yes

If so, please explain the process.

Generally, many of the same principles apply to both our merit system-covered and "at will" employees. Roughly ninety-five percent of Maricopa County employees serve in "classified" or merit system-covered positions. The remaining employees serve in either "unclassified" (generally high-level policy making) positions, contract positions, or serve as temporary employees. Each of these position is "at will." The primary distinction from a disciplinary standpoint is the availability of a post-termination, suspension or demotion hearing. Classified positions are entitled to a hearing before a hearing officer appointed by the merit commission.

Regardless of the type of position in which the employee serves, Maricopa County strongly encourages the use of a progressive, "positive," approach to employee discipline. This approach ensures that under every circumstance, the employee is afforded the opportunity to understand: (1) what it is that they have done incorrectly; (2) what the employee needs to do to correct performance; and (3) what will happen if the infraction occurs again or the poor performance continues. All management team members are trained in these concepts through our Supervisors' School and through sessions included in our Employee Course Catalog.

61. Please indicate who has primary responsibility for the following disciplinary and termination actions for classified employees. *(Please check all that apply.)*

ACTIONS:	Central HR office	Department HR staff	Department head	Department manager	Supervisor
a. Initial oral reprimand	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

b. Initial written reprimand	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
c. Disciplinary action	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Pay decrease or loss of pay	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Suspension	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Demotion	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. Transfer	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Termination	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Pre-appeal hearing	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

62. To what extent do you agree with the following statements about discipline in your county?

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
a. Our county's discipline system involves a gradual increase in the severity of punishments for every rule violation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Our county's discipline system allows managers to discipline and remove employees for performance problems quickly.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Our county's discipline system allows managers to discipline and remove employees for behavior problems quickly.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

63. On average, how long does it take to terminate an employee for **performance problems**, from the initial formal decision to fire an employee?

- Less than 10 days
- 11-30 days
- 31-120 days
- 121-270 days
- More than 270 days

64. How long does it take to terminate an employee for **behavior problems**, from the initial formal decision to fire an employee?

- Less than 10 days
- 11-30 days
- 30-120 days
- 121-270 days
- More than 270 days

65. Please answer the following questions about the nature of the termination process:

a. Are there pre-termination hearings in your county? No Yes

b. Does your county's legal department review termination requests? No Yes

c. Is there a review of the penalty by an external source? No Yes

If so, is this only if the employee appeals the penalty? No Yes

d. Is there a notification of termination? No Yes

If so, how many days notice must your county give employees when terminating them? 3-5 days days

e. Do labor contracts require notice of termination? No Yes

If so, please provide and contracts.

f. Do employees have a right to appeal terminations? No Yes

If so, how long does the appeals process usually take? Each of Maricopa County's Merit System Rules require that the hearing officer schedule the hearing within 20 days of the filing of an appeal. The hearing officer may grant an extension of the hearing date upon a showing of good cause. Employees frequently request an extension, resulting in a length of 144 days for appeals processed under the Maricopa County Employee and Law Enforcement Merit System Rules and 105 days under the Judicial Employee Merit System Rules. On behalf of the appropriate Merit Commission, an independent third party hears testimony and makes a recommendation to the Commission of whether to affirm, modify, or revoke the proposed action. The Commission then determines whether the action taken shall be sustained or whether the appeal shall be dismissed. ___ days

Are there formal guidelines for this process? No Yes

66. Please answer the following questions about your labor agreement grievance process:

- a. Do employees have the right to grieve? No Yes
- b. If so, is there a formal grievance process? No Yes
- c. At what level are grievances filed? County level Department level
- d. Approximately how many grievances were filed in 2000? 29 Workforce Professionalism and 12 Employee Concerns complaints.
- e. In 2000, what was the average length of time required to resolve a grievance? 19 working days for Workforce Professionalism complaints and 15 working days for Employee Concerns complaints.

The Employee Concerns Resolution Program is structured so that employees and management may resolve issues quickly. By eliminating many layers of supervisors and managers in the Employee Concerns grievance process, problems are resolved expeditiously by those persons having the authority to do so. If an employee chooses to appeal an Employee Concerns grievance through the entire process, the time frame is generally one to two months. The time frame is based on a five-business day initiation of the grievance with a five or ten business-day period for each response and appeal. Employee Concerns brought to the final step are resolved in an average of fifteen calendar days after receipt by the Employee Ombudsman.

Allegations brought under the Workplace Professionalism process are handled as quickly as possible with most allegations resolved in nineteen working days.

-
- f. In 2000, how many grievances were upheld? 10 Workforce Professionalism complaints and 3 Employee Concern complaints
- g. How large is your county's backlog of grievances? None
- h. What can employees grieve?

The Employee Concerns Resolution Program, HR 2405, encourages employees to raise questions or concerns regarding unfair treatment, reprimands, or the terms and conditions of employment. An employee may not use the Employee Concerns process to seek review of decisions or actions for which there is already another available internal review procedure, such as performance management evaluation annual ratings, an action that may be appealed to the Merit Commission (demotion, dismissal, or suspension), or to raise a concern about employment discrimination. The Workforce Professionalism: Avoiding Harassment & Discrimination policy, HR 2406, applies to an allegation of employment discrimination based on race,

religion, age, sexual harassment, color, national origin, disability, retaliation, or gender.

67. Please answer the following questions about your civil service appeals process:

- a. Do employees have the right to appeal? No Yes
- b. If so, is there a formal appeals process? No Yes
- c. Approximately how many appeals were filed in 2000? 19
- d. How large is your county's backlog of appeals? None
- e. What can employees appeal?

Employees who are merit protected have certain rights as set forth in the Merit Rules. Employees covered by the Merit Rules may appeal a dismissal, suspension, or demotion. A reduction-in-force may also be appealed but only on the grounds that the calculation of the employee's "retention points" was inaccurate and resulted in that employee being selected for separation before another employee.

68. Please answer the following questions about dispute resolution:

- a. Does your county have an office of dispute resolution?
 No Yes, it is court annexed Yes, under another arrangement
- b. Please list the primary responsibilities of this office.

The Employee Ombudsman, in conjunction with the Superior Court Office of Alternative Dispute Resolution, offers mediation services for employees who wish to mediate a problem rather than file a complaint under the Employee Concerns Resolution Process. An employee may also request mediation at any time without giving up their rights to file a complaint.

c. Are these activities required by labor contracts?

No Yes

d. If not, which activities are not?

N/A

e. Which of the following dispute resolution techniques does your county use regularly? (*Please check all that apply.*)

- | | |
|--|---|
| <input checked="" type="checkbox"/> Ombudsman office | <input checked="" type="checkbox"/> Facilitation |
| <input type="checkbox"/> Binding arbitration | <input type="checkbox"/> Convening |
| <input type="checkbox"/> Non-binding arbitration | <input checked="" type="checkbox"/> Collaborative problem solving |
| <input checked="" type="checkbox"/> Mediation | <input type="checkbox"/> Dispute panels |
| <input checked="" type="checkbox"/> Negotiation | <input type="checkbox"/> Advisory boards |

f. What has your county done to control or reduce arbitration costs?

While Maricopa County does not utilize a formal arbitration process for dispute resolution, Maricopa County has adopted several strategies to limit the time and costs of the merit hearing process. Every action covered by the merit hearing process, which includes suspension, demotion, and termination, is reviewed by the Human Resources and Office of County Counsel (legal) staff to determine if there are sufficient facts to support the proposed action. This review of the proposed action eliminates appeals that have a marginal opportunity for success.

The contract hearing officers employed for appeals are chosen through a competitive procurement process designed to select only the most qualified candidates for the position. Once chosen, the hearing officers are trained in

Maricopa County employee policies and procedures. This training is designed to reduce the length of hearings by limiting the scope of questioning to relevant inquiries. Shorter hearings conducted by competent professionals has resulted in a faster response time for appellants and reduced costs for the County.

69. What obstacles stand in the way of having a more effective and efficient discipline and termination process in your county?

The most significant obstacles in the way of a more effective and efficient discipline and termination process are statutory. A.R.S. Sec. 11-356 dictates specific steps a department must take when demoting, suspending, or terminating an employee. The formality of these requirements, the length of time to complete the process, and the interruption of departmental business can dissuade a department from taking these disciplinary actions even when appropriate.

Other obstacles include those commonly associated with large and diverse organizations. Obtaining a level of consistent disciplinary practice in and between departments is a challenge, as is the training of new management staff. Additionally, finding ways to discipline employees in a positive way can be difficult. We want to discourage unacceptable behavior without “punishing” the employee. We approach this through training and the performance management system. Both approaches emphasize the importance of communicating expectations and acknowledging unacceptable behavior before it becomes habitual.

70. Please describe any changes or innovations in your county’s discipline and termination process since 1999.

Maricopa County recently evaluated disciplinary issues with a focus on prevention rather than reaction. The Human Resources department saw the need for supervisors to have the tools necessary to prevent and address issues that could result in performance or behavior problems. In order to do this, HR reviewed the training it provides to

supervisors and managers, and revised the emphasis of classes offered on Informal/Formal Discipline, Workforce Professionalism: Avoiding Harassment & Discrimination, and the Predisciplinary Action Hearing. The focus is now on the practical application of the progressive disciplinary process rather than merely the theory of conducting discipline. This has resulted in changes to classes offered through the County catalog, Maricopa County Management Institute's Supervisory School, and "on demand" training. Web-based training for supervisors on prevention of harassment in the workplace and the warning signs of violence in the workplace are also available.

Employee Relations and the Employee Ombudsman recently implemented the Work Climate Assessment Program. Human Resources looked at ways to proactively address the underlying causes of employee concerns and issues instead of waiting until performance or behavior problems manifested. What resulted was the development of a program to assist managers and supervisors in bridging the gap between knowledge of a problem and implementing a corrective action plan by providing specific, concrete details about issues effecting employees. During the assessment, employees are provided a safe forum in which to speak out about problems and provide solutions. The Work Climate Assessment Program has resulted in departments implementing such recommendations as staffing analysis, performance planning, management retreats, a review of procedures for funding and awarding special duty assignments, and a review of promotional opportunities and probationary requirements.

Oftentimes disciplinary issues may involve health or medical issues, which can cause or aggravate behavior or performance problems. In those instances where such a situation may exist, Case Managers are consulted to help separate the medical issues from the disciplinary issues to assure that each are addressed appropriately. The Case Management Program, implemented in 1996, was an innovative way for the County to address employee health related issues. Case Managers provide employees, supervisors, and managers assistance in dealing with health issues that may be related to the Family Medical Leave Act (FMLA) or Americans with Disabilities Act (ADA). The program was designed to meet the needs of employees and managers in an effort to identify win-win solutions. Case Managers, along with Employee Relations staff, assess each situation from a holistic perspective by consulting with Ergonomics and Employee Assistance Program (EAP) staff. The Ergonomics Program provides work-site evaluations and job task analysis to reduce the risk of musculoskeletal disorders which can impact an employee's behavior and performance. The EAP Program provides an opportunity for employees to receive assistance in resolving general psychological problems, which may be effecting workplace issues.

71. What obstacles stand in the way of having more effective and efficient grievance and appeals processes in your county?

The challenges in Maricopa County are typical of any complaint system of a large work force. In spite of training and publicity, many employees in remote work areas remain uninformed of the Workforce Professionalism and Employee Concerns programs and therefore do not take advantage of these programs. Overall, the two complaint procedures are effective in enforcing and resolving problems in the workforce and employees have expressed satisfaction with them in the last three Employee Satisfaction Surveys.

72. Please describe any changes or innovations in your county's grievance and appeals processes since 1999.

In the last five years, Maricopa County has implemented several changes to resolve employee complaints. The office of the Employee Ombudsman was established in 1996 and reports directly to the County Manager. The Employee Ombudsman is a person to whom employees can address any type of workplace problem, without involvement in a formal complaint process. Both processes, the Employee Concerns Resolution Program, HR 2405, and Workplace Professionalism: Avoiding Harassment & Discrimination, HR 2406, were revised in 1998 to allow for a more streamlined resolution of issues. In 1999, the Employee Mediation Program became available to employees involved in a workplace dispute. Employees may avail themselves of any or all of these processes when trying to resolve problems at work.

73. Please answer the following questions about collective bargaining agreements:

- a. Does your county have an Office of Labor Relations? No Yes

If so, describe its mission and jurisdiction (*or attach relevant documents*).

- b. What percentage of your employees are covered by labor contracts? 0 %
- c. With how many individual unions are contracts made? N/A
- d. With how many separate bargaining units are contracts made? N/A
- e. How many separate labor agreements are there in your county? N/A
- f. What percentage of your county's employees normally covered under labor agreements are currently operating under an expired contract? N/A %
- g. Are managers covered by labor agreements? No Yes
 If so, what percentage of managers are covered? N/A %
- h. Do any of your labor agreements call for a closed shop? No Yes
- i. Are employees covered by labor contracts allowed to strike? No Yes
 If so, how many strikes have occurred in the past three years? N/A

Please specify which employees are permitted to strike.

N/A

- j. Do statutes restrict organizing at the local government level? No Yes

If so, please describe the restrictions.

74. Please check all of the following that are subject to labor negotiation in your county, and indicate the number of labor contracts addressing each.

Policy:	# of contracts:	Policy:	# of contracts:
<input type="checkbox"/> Grievance	<u>N/A</u>	<input type="checkbox"/> Discipline	<u>N/A</u>
<input type="checkbox"/> Termination	<u>N/A</u>	<input type="checkbox"/> Recruiting	<u>N/A</u>
<input type="checkbox"/> Hiring	<u>N/A</u>	<input type="checkbox"/> Performance evaluation	<u>N/A</u>
<input type="checkbox"/> Merit pay	<u>N/A</u>	<input type="checkbox"/> Performance bonus	<u>N/A</u>
<input type="checkbox"/> Training	<u>N/A</u>	<input type="checkbox"/> Tuition reimbursement	<u>N/A</u>
<input type="checkbox"/> Lay off	<u>N/A</u>	<input type="checkbox"/> Probationary period	<u>N/A</u>
<input type="checkbox"/> Benefits	<u>N/A</u>	<input type="checkbox"/> Other (<i>Please specify:</i>	<u>N/A</u>
<input type="checkbox"/> Testing	<u>N/A</u>	_____)	

75. In which of the following labor-management partnerships is your county involved:
(Please check all that apply.)

- | | |
|--|--|
| <input type="checkbox"/> Physical work environment | <input type="checkbox"/> Reengineering |
| <input type="checkbox"/> Health and safety issues | <input type="checkbox"/> Budget/Staffing levels |
| <input type="checkbox"/> Family friendly policies | <input type="checkbox"/> Technology utilization |
| <input type="checkbox"/> Career development | <input type="checkbox"/> Procurement |
| <input type="checkbox"/> Reorganization | <input type="checkbox"/> Outcomes/Goals |
| <input type="checkbox"/> Privatization | <input type="checkbox"/> Strategic planning |
| <input type="checkbox"/> Customer service | <input type="checkbox"/> HR reform efforts |
| <input type="checkbox"/> Productivity | <input checked="" type="checkbox"/> Other (<i>Please specify: See Answer to Question 76.</i> _____) |

76. How does your county evaluate the effectiveness of these partnerships? (*Please attach any relevant documentation.*)

Maricopa County does not have collective bargaining agreements with any labor organizations. Nonetheless, county employees are not prohibited from participating in labor organization activities. Furthermore, Maricopa County policy does permit employees to contribute dues to employee organizations through a payroll deduction.

Maricopa County has worked very hard to build a working relationship with these organizations over the past five years. Representatives of the American Federation of State and Municipal Employees local, the Deputies Association, and the Fraternal Order of Police were included in the discussion regarding the substantial redesign of Maricopa County's merit rules, compensation and employee leave plans, and benefits programs in 1997.

In addition, employees regardless of whether they formally participate in an employee organization or not, are actively encouraged to provide input into the management decision making process. For example, following the redesign of Maricopa County's employee benefits package in 1997, an employee-based Benefits Committee was established to monitor the performance of the changes and to provide input into future modifications. This committee is still providing operational input.

Maricopa County primarily evaluates the effectiveness of these efforts through the use of its employee satisfaction survey instrument. This survey is conducted annually, and specifically monitors the effectiveness of our management teams efforts. Department management is required to follow-up on problem areas in each department. Findings are openly discussed at employee meetings, presented by the Research and Reporting department, who administers the actual surveys. The County's Human Resources Department and Employee Ombudsman also monitor the concerns raised by employees in the context of grievance and merit appeals to determine whether efforts to improve employee-management relations in discrete areas of departments are warranted.

An Employee Benefit Satisfaction Survey is also conducted on an annual basis. This survey ensures that County provided employee benefits are meeting the needs of our employees. Issues covered in that program include: health and dental benefits, vision care, vacation and other leave benefits, long-term disability, life insurance, child and elder-care, and other important issues. As a result of these benefit surveys, changes to Maricopa County's benefit package are made.

As discussed in question 70, HR Employee Relations and the Employee Ombudsman developed and implemented the Workplace Climate Assessment Program. This program provides a proactive approach to solving employee concerns. Recently, an extensive Work Climate Assessment for the Library District was completed. Approximately forty employees were interviewed individually about several topics ranging from conflict management and communication to ergonomics and safety. Upon completion of the study, the Library Director made several changes based upon employees' suggestions. Those changes included a time and motion study for library assistants to determine if employees handled the materials effectively; an increased presence for managers and supervisors at nights and on weekends; an assessment by Risk Management of areas identified by employees as safety concerns; institution of yearly all-hands meetings; and an enhanced Director's Newsletter to be made available at all library locations. Employees have reported an increase in job satisfaction since these changes have been instituted.

All of the partnerships described above are evaluated for effectiveness through the County's various employee survey instruments. This process of continuing to monitor employee satisfaction has been a tremendous tool for Maricopa County, and is now a big component of the employees' expectations.

- 77. What is the total number of court challenges that have been brought by organized labor against your county in the last three years? N/A
- 78. How many of these have been resolved to date? N/A
- 79. On average, how many days does it take the county to reach agreement on contracts? N/A
- 80. Please tell us about the most constructive labor-management relationship you have.

Although Maricopa County does not have formal (contractual) relationships with bargaining or employee representatives, we try to maintain positive and collaborative relationships with these representatives. Currently, 700 Maricopa County employees pay union dues to AFSCME and the Deputies Law Enforcement Association through payroll deduction. The Maricopa Sheriff's Office deputies account for 500 of these memberships.

However, employees have many ways and intermediaries to communicate their interests, concerns and grievances to all levels of management. The Employee Ombudsman and Employee Relations consultants are available to discuss both formal and informal issues with employees. These employee helpers are also available to conduct Work Climate Assessments to help management identify and understand employee issues. The independent Employee Merit Systems Commission is available to hear formal appeals of demotions, suspensions or terminations.

Performance Management planning sessions and semi-annual progress reviews are required by policy in order to maintain open communication between employees and their supervisors. The annual Employee Satisfaction Survey is another tool for employees to give anonymous feedback to both departmental and County management. In addition to responding to general satisfaction questions, employees are encouraged to provide narrative comments that are centrally compiled by the Research & Reporting department in order to maintain employee anonymity. All of these comments are read by management and expected to be responded to with positive changes as appropriate.

81. What obstacles stand in the way of having optimal labor-management relationships in your county?

Under Arizona law, County employees are not allowed to bargain collectively. The Board of Supervisors and County administration are aware that essentially most of the authority over salary, benefits, and conditions of employment are on the management side. Because of prior abuse of some of this authority, management has had low credibility with long-time County employees. Political decisions regarding the hiring or termination of department directors, former County managers without full authority, dysfunctional relationships among elected officials, and an operating budget deficit in 1993-1994 had a damaging effect on employee morale. Correction of the deficit required layoffs as well as a three-day involuntary furlough without pay for many in the workforce. This was compounded by a salary structure that was 12-15% behind the market in most categories. In 1995, the annual turnover was over 19%. Attitudes toward County management initiatives were greeted with cynicism. As a result of a variety of changes over six years, County management believes that all but a minor residual of that negative culture still exists. That negativity is referred to as “old County culture.”

Obviously, some of the people who could not respond to improved expectations for productivity and a positive attitude have retired or moved on. Over the past five and a half years, the entire management team, with the exception of two directors, has been replaced. These managers have had complete freedom to hire their deputies, assistants, and middle managers in order to create a more dynamic management team and management ethic. We have found that good people attract and hire other good people, who, in turn, hire other good people. Through these positive changes, we are creating a new, vigorous County culture.

The Board of Supervisors and County management understand that they have to represent employees “on both sides of the table”. Management must look out for employees’ interests, not just as a statement of good intention but in the reality of personnel policies. To safeguard these interests while maintaining a competitive organization, management must be mindful of and responsive to employee satisfaction issues. This compels departments to look at employee turnover rates and respond affirmatively to employee satisfaction issues identified in department surveys taken each year. Employees have learned that here are no undiscussable issues within the

County. The County Administrative Officer meets directly with employees at "all hands" meetings and answers employee questions in monthly Newline articles. The most pointed, difficult questions are discussed at the MCMI Supervisor and Management Schools. Roundtable discussion groups, employee townhalls, and other open forums allow employees to provide input to management and the Board of Supervisors in order to make decisions affecting the labor-management relationship.

Maricopa County's philosophy is to avoid a typical polarized management point of view and opposite labor point of view. The County attempts to create a synergized positive single point of view for the County as a whole. Arizona laws create a unique experimental opportunity to provide for a very wide open, success-oriented organization. It allows for individual growth and development, merit hiring, merit promotion, and merit compensation for every employee. Employee's individual success is not held back in lock-step by the across-the-board limits of a collective bargaining agreement. Over the past three years, average employee hourly rates have increased 18.6%, and currently the average salary for our employees is approximately 92% of the average midpoint. Our system encourages the use of training, incentives, employee development plans, and employee involvement committees to tap into the employees' highest desires for public service and personal achievement.

82. Please describe any changes or innovations in labor-management that have occurred in your county since 1999.

Maricopa County has embarked on a variety of improvements to the labor management environment over the past six years. This includes continuing to interact with employees on a variety of issues that affect them, soliciting their ideas through various working committees and survey instruments, and solidifying an "emotional commitment" to work at the County. Sometimes these involve specific programs with committees and sometimes they simply involve in-depth communication. We believe that it is impossible to provide employees with too much information or with too much communication on the status of County projects, finances, or direction. We use a variety of communication tools including the countywide newsletter, intra-departmental, and elected office newsletters, broadcast e-mails, paycheck flyers, and the County Administrative Officer (CAO) appearing in person at employee meetings. The CAO is always open for questions on any subject.

In the last few years, the most tangible change to employees is the upgrading of County salaries and benefits. After years of low salary increases, the average salary for Maricopa County employee is approximately 92% of the market midpoint. In addition, the County changed its leave plan to go to a paid-time off program as opposed to the standard vacation/sick leave banks. This involved taking half of the entry level 10 days of sick leave and moving them over to the vacation leave balance

immediately giving the new hire 15 days of paid time off. Employees are expected to take a paid-time off day for one-day emergencies, including one or two-day illnesses, but would have the use of that time on a “no-notice” basis to handle all kinds of emergencies. This change in policy was explained and discussed in numerous employee round tables before being implemented, and it has been well received.

Other continued innovations to enhance performance and modifications to the compensation plan include using targeted incentives in various departments--Clerk of the Court, Public Fiduciary, Medical Eligibility, and Maricopa Integrated Health Systems--continue to evolve in response to competitiveness in the job market.

In addition, the County is interested in employee grievances, concerns, and treatment on the job. The Employee Ombudsman, reporting directly to the CAO, is called upon to review issues ranging from promotions, job ratings, and allegations of preferential treatment and discrimination. All formal complaints involving EEO potential issues are promptly investigated and resolved by Human Resources Employee Relations staff. Occasionally, employee issues arise within a department that the County Administrative Officer has to address directly. Within the last few years, the CAO has responded personally when issues of diversity, fair treatment, job performance ratings and promotions were raised at both the Flood Control District and the Planning and Development department. For employees experiencing interpersonal job conflicts, the employee Ombudsman offers coaching and mediation services. Finally, Human Resources provides training for all employees on diversity issues, sexual harassment, or gender or ethnic discrimination.

A major initiative to improving performance with an additional goal to get rid of the “Old County” culture was the formation of the Emotional Commitment agenda at a management team retreat in 1997. Included in this strategy were 16 items:

Five-Year Emotional Commitment Agenda

1. Internal service departments must perform excellent customer service for County employees.
2. We must recruit and select public service-oriented people to join our work force.
3. We must seek to enhance Maricopa County’s image as an employer.
4. We must improve total employee compensation over the next five years.
5. We must communicate big picture plans to employees regularly.
6. We must bring new employees into the County culture rapidly.
7. We must celebrate and ceremonialize positive events with our employees.

8. We must continue to evolve Human Resources (HR) policies to enhance life/work issues for employees.
9. We must continue measuring outputs and outcomes to ensure value to taxpayers. We must score ourselves against the best in the region for delivering value and publicize the results.
10. We must seek outside recognition for County services and programs.
11. We must create appropriate countywide employee committees to institutionalize employee involvement in several important areas: 1. social events, 2. employee professional growth for training and development, 3. employee recognition, 4. social responsibility, 5. employee benefits advisory council, and 6. employee wellness.
12. We must challenge ourselves and each other to do better on work processes.
13. We must follow-up on personal performance plans and merit pay for performance.
14. We must train all employees on the code of ethics and stewardship statement.
15. We must conduct Employee Satisfaction survey follow-up plans in each department.
16. We must acknowledge our remaining deficiencies and develop plans to alleviate them.

All department directors reporting to the CAO were required to institutionalize the Emotional Commitment agenda and complete it. Over the past four and a half years progress has been made in every one of these agenda items. In all of these employee committees, regular rank and file volunteers joined management to provide a greater perspective.

This is the kind of progressive labor-management that is possible when employees are respected for the value that they bring, the ideas that they have, the desire for improvement and change that they demonstrate. These efforts focused on ideas and not who has the authority, title or hierarchical power in the organization. This is our methodology for achieving a high performance organization.

Thank you for your valuable assistance in providing this information.

Please provide the names, contact telephone numbers, and email addresses for those who completed this section of the survey:

Name: Janice Stratton Job Title: Merit Systems Administrator
Phone: (602) 506-5007 Email: jstratto@mail.maricopa.gov

Name: Sandi Wilson Job Title: Deputy County Administrator
Phone: (602) 506-2623 Email: swilson@mail.maricopa.gov

As you know, Governing Magazine will follow up with interviews on the topics covered in this survey. To make sure that the proper people are interviewed, please provide suggestions and contact numbers below.

Who would you recommend that we contact for interviews for an overview about human resources management in your county?

Name: Sue Wybraniec Job Title: Human Resources Director
Phone: (602) 506-4582 Email: swybrani@mail.maricopa.gov

Name: David Smith Job Title: County Administrative Officer
Phone: (602) 506-3571 Email: dsmith@mail.maricopa.gov

Please note if separate interviews should be conducted for workforce planning, training, labor management, classification and compensation, hiring, or discipline and termination.

Name: Robert Howery Area of expertise: Workforce Planning
Job Title: Employment Services Division Manager Phone: (602) 506-7367
Email: bhowery@mail.maricopa.gov

Name: Deb Stone Area of expertise: Training

Job Title: Training Consultant Phone: (602) 506-0161 Email: dstone@mail.maricopa.gov

Name: MaryLou Sarrault Area of expertise: Compensation

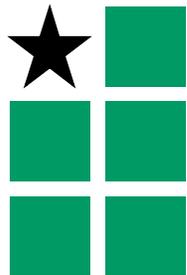
Job Title: Compensation Manager Phone: (602) 506-2392 Email: msarraul@mail.maricopa.gov

Name: Linda Young Area of expertise: Discipline

Job Title: Employee Relations Supervisor Phone: (602) 506-7542
Email: lyoung@mail.maricopa.gov

Name: Gary Bridget Area of expertise: Case Management

Job Title: Case Management Supervisor Phone: (602) 506-8725
Email: gbridget@mail.maricopa.gov



**GOVERNMENT
PERFORMANCE
PROJECT**

**COUNTY GOVERNMENT SURVEY
INFORMATION TECHNOLOGY
MANAGEMENT SECTION**

April 2001

PLEASE REFER QUESTIONS TO:

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INFORMATION TECHNOLOGY MANAGEMENT

This section is designed to measure the extent to which your county has made effective use of information technology in the achievement of the county's strategic goals and objectives. This includes: meaningful data collection and analysis, incorporation of information technology into your county's various divisions, and capabilities of county employees to fully exploit the potential of information technology for increased productivity.

BACKGROUND TO THE GOVERNMENT PERFORMANCE PROJECT

Since 1996, under the auspices of The Pew Charitable Trusts, the Maxwell School of Citizenship & Public Affairs at Syracuse University, in partnership with *Governing* magazine, has rated the management performance of local and state governments and selected federal agencies in the United States. The project, called the Government Performance Project (GPP), is administered by the Maxwell School's Alan K. Campbell Public Affairs Institute.

The project aims to improve the understanding and practice of government management throughout the United States on the city, county, state, and federal levels. It evaluates the effectiveness of management systems by considering government performance in five categories: financial management, human resource management, information technology, capital management, and managing for results. Each category is addressed by a separate section in this survey. For each category, governments are evaluated based on this survey, interviews, and an analysis of published documents.

While the project highlights overall management capacity, it focuses on the role of leadership, the integration of the five categories, as well as the communication of government performance issues to the citizenry.

In 1998 the project studied and rated government performance of the 50 states and 15 federal agencies. The results were published in the February 1999 issues of *Governing* and *Government Executive*. The results were also widely reported by leading print, radio, and television media.

In 1999 the project evaluated government performance in the top 35 U.S. cities by revenue and of five federal agencies. These results were published in the February 2000 issue of *Governing* and the March 2000 issue of *Government Executive*.

In 2000 the GPP reevaluated the 50 states and the results were published in the February 2001 issue of *Governing*. This year the GPP will evaluate 40 county governments.

The Maxwell School will add the data collected to its clearinghouse of information and continue to expand this resource of government management practices. Ultimately, government entities will have the opportunity to learn from one another and exchange valuable information through the efforts of this project.

GPP CONTACT PERSON

For more information on the GPP, please visit our website at: www.maxwell.syr.edu/gpp. If you have any questions regarding this survey or the GPP in general, please direct your inquiries to Anthony Stacy, at gpp@maxwell.syr.edu or 315-443-9707.

INFORMATION TECHNOLOGY MANAGEMENT EVALUATION CRITERIA:

1. Government-wide and department-level information technology systems provide information that adequately supports managers' needs and strategic goals.
2. Government's information technology systems form a coherent architecture.
 - Strategies are in place to support present and future coherence in architecture.
3. Government conducts meaningful, multi-year information technology planning.
 - The information technology planning process is appropriately centralized.
 - Government managers have appropriate input into the planning process.
 - Formal government-wide and department information technology plans exist.
4. Information technology training is adequate.
 - Information technology end-users are adequately trained to use available systems.
 - Information technology specialists are adequately trained to operate available systems.
5. Government can evaluate and validate the extent to which information technology system benefits justify investment.
6. Governments can procure the information technology systems they need in a timely and cost effective manner.
7. Information technology systems support the government's ability to communicate with and provide services to its citizens.

DEFINITIONS OF TERMS USED IN THIS SURVEY:

Architecture: The overall structure of the information technology system, including the relationship between hardware, software, and data.

Chief information officer: An individual with responsibility for countywide coordination of the management of information technology.

Department: Any administrative subdivision or unit of government (also in some cases called a board, bureau, commission, department, etc.) having the primary purpose of executing some governmental functions or laws.

Geographic Information System: A computer system capable of manipulating data that is referenced according to its physical location.

Information Systems Development Methodology (ISDM): A generic, tailorable, scalable process that guides the high-level stages of computer applications development. In general, the process begins when the idea for a new application is first conceived and ends when the application is taken out of service. The ISDM provides a common framework of life cycle stages for discussion about the problem to be solved. It structures the development process and gives the project team a road map to follow. It provides a “preflight” checklist to assure that all the needed elements are addressed.

INSTRUCTIONS FOR COMPLETING THE SURVEY ELECTRONICALLY:

This document is a Microsoft Word form. A form is a structured document with spaces reserved for entering information. This survey, containing check-boxes and fill-ins, can be viewed and completed in Word.

- *To check a box:* Use your mouse to move the arrow over the box you want to check and click once. To uncheck the box, click again.
- *To enter text in a fill-in box:* Move your mouse over the gray box. The arrow will change to a cursor. Click once to highlight the box. Begin typing. All fill-ins have unlimited capacity.

To enable electronic completion, the file has been password protected. Text can only be written in fill-in boxes. To provide comments on a question, include a separate page of comments with reference to the question number.

If you encounter difficulties completing the survey electronically, you may contact the project manager at (315) 443-9707 for troubleshooting assistance. The document can also be printed and filled in manually.

PLEASE SUBMIT THE FOLLOWING DOCUMENTS AND INFORMATION WITH THE SURVEY:

(Note: If these materials are available online, you may simply identify the URL at which they may be found.)

- Government-wide information technology plan
- Some typical department-level information technology plans, if available
- Several typical Benefit-Cost Analyses
- Copies of published information technology policies and procedures
- Any studies or evaluations (such as performance audits, impact analyses, or benefit-cost analyses) that address the contribution of technology to your county
- Any independent council or auditor evaluations of your county's information technology systems
- Any organizational charts or diagrams of information technology systems and management structures

PLEASE ANSWER THE FOLLOWING QUESTIONS ABOUT INFORMATION TECHNOLOGY MANAGEMENT IN YOUR COUNTY:

1. To what extent does your county have an information technology system that allows you to accomplish the following management functions? *(Please check the column that best describes the status of your IT system for each function.)*

	No IT system in place for this function	Formal planning for an IT system is under way	Partially operational IT system in place	Fully operational stand-alone IT system in place	System fully operational, but system is being replaced	System fully operational and integrated with other systems
a. Budgeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Specialized financial reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Financial accounting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d. Cost accounting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Fraud control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f. Payroll	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g. Hiring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h. Managing human resources	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i. Managing training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
j. Procurement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
k. Tracking capital projects	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
l. Tracking asset condition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
m. Inventory management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
n. Contract monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
o. Using performance data	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. To what extent does your county's current information technology system serve as a tool to help accomplish financial management, human resources management, capital management, and managing for results? Please provide examples of the types of functions managers in each of these areas can perform as a result of the supporting information technology.

Our information technology system is...

	extremely helpful	very helpful	somewhat helpful	not very helpful	not at all helpful
Financial Management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Examples:</i>	Please see Comments and Attachments IT.2a.-1, 2, 3, 4.				
Human Resources Management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Examples:</i>	Please see Comments and Attachments IT.2b.-1, 2				
Capital Management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Examples:</i>	Please visit www.mcdot.maricopa.gov/PlanRptStud/pgmsys/tms.htm for detailed information and examples of our capital management systems.				
Results/Performance Management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Examples:</i>	Please see Comments and Attachments IT.2d.-1, 2, 3.				

3. What is the level of integration of the information technology systems that support each management area listed below? Please provide examples of the types of functions managers can perform as a result of integration in each area.

	Completely integrated	Highly integrated	Somewhat integrated	Not very integrated	Not at all integrated	Check if integration is planned within 12 months
Financial Management <i>Examples:</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Please see Comments for our integration plans. Attachment IT.3.-3 contains Report.Web reports. Question 4 addresses the level of integration between the financial systems and human resources.						
Human Resources Management <i>Examples:</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Please see Comments for our integration plans. Attachment IT.3.-3 contains Report.Web reports. Question 4 addresses the level of integration between the financial systems and human resources.						
Capital Management <i>Examples:</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Please see www.mcdot.maricopa.gov/PlanRptStud/pgmsys/tms.htm for examples of our Capital Management systems. An integration taskgroup has been launched by the Department of Finance to lead the global integration effort.						
Results/Performance Management <i>Examples:</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Please see Comments. Please also see Attachment IT.3.-4, which describes the plans for MFR integration with the other systems.						

4. Please describe the extent to which your county's financial and human resources managers have to rely on multiple information technology systems to obtain the information they need to make decisions, generate reports, or conduct daily operations. (For example, does your county's chief human resources officer need to obtain data from multiple information systems to support human resources management?)

The overwhelming majority of our financial and human resources managers use the Report.Web tool to fulfill their decision making needs. The tool supports a single point-of-entry to current and historical financial, personnel, and payroll data. All commonly-used mainframe reports have been modeled in the Report.Web tool. Report.Web takes mainframe reports and electronically "bursts" and publishes the reports on the County's Intranet, known as the Electronic Business Center (EBC).

In accordance with our IT Portfolio Management Strategies (see Question 13 – Comments) and our mindset of using innovation to maximize our legacy systems (see Question 3) we researched and investigated new Internet tools and technologies specifically to pilot the concept of an Intranet Administrative Systems Portal. The objective of our Administrative Systems Portal is to consolidate as much data as possible which, in turn, will minimize the number of different systems financial managers and other users need to access.

Report.Web facilitated the introduction of the Administrative Systems Portal. The Department of Finance pioneered our efforts by introducing the Report.Web tool two and a half years ago. The Human Resources department joined the Administrative Systems Portal this past year. Not only is the data all available on-line, it is stored in a "smart" format that allows it to be exported to spreadsheets and other analysis tools. End-users have been intimately involved in selecting the reports that have export formats.

BENEFITS

Completely eliminated the physical report distribution delivery timeframe, which averaged 5 days.

Data transfers occur automatically, without human intervention, from the legacy systems to Report.Web.

Significant savings in reduced hardcopy printing costs (approximately \$50,000 savings annually).

The Human Resources department has completely eliminated hardcopy printing of its reports.

EXAMPLES

Attachment IT.4.-1 reflects the various reports currently available via Report.Web.

Attachment IT.4.-2 contains examples of actual departmental downloads and reports generated from using Report.Web.

Attachment IT.4.-3 is the Report.Web User's Guide that was created to facilitate this project rollout.

Attachment IT.4.-4 is the Installation Guide that was created for the end-users.

OTHER SYSTEMS

Managers determine whether or not accessing multiple systems is required as part of their daily activities. The decision to access other systems is determined by the level of detail and urgency for "real-time data" that governs the manager's daily activities. As explained, Report.Web provides the data required by the majority of department managers. A few departments have developed small, department-specific systems to support their unique reporting and tracking needs. The Maricopa Department of Transportation (MCDOT), for example, has developed a job costing system to support the organization's mandated public works project reporting criteria. There is another large county department (600+ employees) that is completely eliminating its departmental financial system and making the conscious decision to use the current enterprise financial management tools.

FUTURE PLANS

The Administrative Systems Council is addressing strategies and options to integrate and incorporate as many of the commodities in the Integrated Administrative Systems Portfolio as possible in the next 12 months (see answer to Question 3).

5. Please describe the ways in which the current information technology systems in your county's departments serve as tools to help manage *programs*. (For example, how is information made available that permits managers to make day-to-day decisions in program execution?) Please provide three examples of valuable department-specific systems.

The IT Governance Model (see Question 11 – Comments) grants departments the flexibility, within established guidelines, to leverage technology that will best fulfill the business and management requirements of the individual agency. As described in the answers to Questions 2-4, data from the enterprise systems is readily available via the systems themselves and Report.Web. Departments have either purchased or developed

additional information technology systems to facilitate their program management requirements. The following agencies have developed premier systems to address and support their agency's needs:

1. Environmental Services: The Environmental Management System (EMS) currently supports the billing, permitting, inspections, emission inventories, and the complaint tracking business functions. In 1993, the lack of computer hardware and software were identified as a high priority problem via total quality management surveys. In 1996, the Environmental Services Department's strategic plan included the implementation of a new Information Management System in which financial resources, policy, department operations and staff could be aligned to achieve department goals. With each submittal of their Annual Operational Plans and Five Year Strategic Plans, Management has leveraged advancements made in the development of its integrated Environmental Management System (EMS) to set higher goals to improve the management and delivery of services. Attachment IT.5.-1 contains detailed information regarding the EMS system.

2. Maricopa County Juvenile Probation: Juvenile On Line Tracking System (JOLTS). JOLTS is the juvenile tracking system used to process juvenile information regarding delinquency, incorrigible, traffic, dependency, severance and adoption cases by Juvenile Probation, Court Administration, County Attorney, Public Defender, and the Clerk of the Court. Attachment IT.5.-2 contains detailed information regarding the JOLTS system.

3. Maricopa County Department of Transportation: MCDOT has developed four Transportation Management Systems. These systems assist MCDOT to analyze and measure all aspects concerning the performance of all County roadways. The four systems identify actual and potential problems concerning traffic congestion, safety, pavement conditions and bridge system needs. The four systems also help prioritize individual projects for consideration to be included in the County's five-year Transportation Improvement Program (TIP). Attachment IT.5.-3 Contains the Executive Summary for the four Transportation Management Systems. Detailed reports for each system can be found at <http://www.mcdot.maricopa.gov/PlanRptStud/pgmsys/tms.htm>. These systems have also been highlighted in the Capital Management Section of the Maricopa County GPP Survey Response.

6. Please describe the type and level of information technology infrastructure that your county has in place to carry out two-way transactions using the World Wide Web. Please provide all significant examples of transactions being carried out on the web.

Maricopa County's initial electronic government efforts began in 1995 with the launching of www.maricopa.gov. Four crucial elements were identified and initiatives were launched to ensure those elements were put into place. Those four elements were:

- 1) A robust technology infrastructure
- 2) A fully dedicated IT development team for web applications
- 3) Purchasing "vehicles" for web-based transactions
- 4) Executive-level support and oversight

The "purchasing vehicles" are the P-Card Program and Credit Card Processing Services. Both elements are in place today. These items are discussed in detail in the response to Question 32, Financial Management Section, Part 3 Procurement, Purchasing, & Contracts. The details regarding these "vehicles" are not critical per se, the fact they do exist is tantamount to a successful electronic government environment.

The Executive-level support and oversight role is discussed in detail in the response to IT Section Question 11.

As a result of these efforts, in February 2001, the Gartner Group Electronic Government Practice, based upon criteria that include eGovernance, eArchitecture, eStrategic Planning, Internet site characteristics, Intranet site characteristics and Measurement, recognized Maricopa County as one of the best six counties nationally ready for Electronic Government.

Infrastructure

The County has deployed a substantial technology infrastructure to support interactive transactions via the Web. We currently provide many financial and informational two-way transactions and have plans in place to expand these capabilities. Consistent with our federated model of IT governance, the portfolio of transactions represents contributions from many departments. Each transaction described herein can either currently be conducted via the web or will be available in the near future.

The foundation infrastructure is our robust data network, comprised of 100MB switched Ethernet within the buildings. The high-bandwidth inter-building network runs asynchronous transfer mode (ATM) in an auto-failover redundant path configuration. Primarily Cisco and Bay Networks equipment comprise the switching and routing equipment in use. To maintain reliable, 7x24 operations, the County deploys a dual-path, load-balanced presence on the public network.

The foundation technology for the County's Internet infrastructure is Windows NT and IIS running on fault-tolerant rack-mounted Compaq servers. Web content is stored in SQL Server tables, but it is spun out to XML files for performance reasons. The web servers display content pages and dynamically build the desired view (service or

organization) by parsing the XML files. All web-based applications are developed in Active Server Pages (ASP) using Visual Studio.

The transformation of the maricopa.gov home page into a government services portal capable of processing our existing and planned transactional systems required the speed and flexibility of XML. The more data-intensive applications, such as the "Residential Parcel Information Lookup", use ASP pages to construct SQL queries that go directly against the SQL Server tables.

The next evolution of the County's Internet infrastructure is now being developed. To meet the availability requirements imposed by our transformation to Information Age Government, single points of failure are being eliminated wherever possible. We are currently acquiring additional web server hardware and load-balancing IP routers that will enable our transition to a "web farm" server model. By August 1, 2001 all traffic to the County's web site will be spread transparently across multiple servers, eliminating unplanned outages due to hardware failure, and planned outages due to hardware and software maintenance/upgrade.

Two-Way Transactions

Attachment IT.6.-1 lists examples of two-way transactional capabilities available through the official Website of the County, www.maricopa.gov. As a true government services portal, we have also included links to other governmental organizations that visitors to our site might assume are provided by the County (i.e., auto licensing), allowing for seamless transition. Those that are highlighted in yellow represent the most straightforward form of "two-way" in terms of a customer entering on-line data to complete a transaction.

Attachment IT.6.-2 is a chart that identifies existing transactions, those under development, those planned for the near future, and those that are most popular--based upon historical web "hits". The chart is a working document of the County's Electronic Government Council (see Question 11 - Comments).

7. What technology is in use to facilitate the sharing of information across county departments and between levels of government in cases where such information sharing would be useful for management? Please provide examples of cases where this information sharing has occurred. In particular, please highlight any new tools,

technologies, and systems that your county uses or is planning to use (for example, “one-stop” data integration, consolidated networks, or enterprise architecture).

Please see Comments and Attachments IT.7.-1 through IT.7.-10.

8. What technology is in use to facilitate the sharing of information with citizens? Please provide examples of cases where this information sharing has occurred. In particular, please highlight any new tools, technologies, and systems that your county uses or is planning to use.

Please see Comments and Attachments IT.8.-1 through IT.8.-5.

9. Please rate the extent to which your county's information technology systems are directly involved in information exchange with citizens and departments in the following ways. (Check as appropriate.)

	No IT system in place to support this activity	Very limited IT systems to support this activity	Some IT systems to support this activity	Substantial IT systems support this activity	Very substantial IT systems to support this activity
a. Transmitting information to citizens about policy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Receiving feedback from citizens about policy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Transmitting information to citizens about services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d. Receiving feedback from citizens about services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. Transmitting government financial data to citizens	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f. Conducting two-way transactions with citizens	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g. Conducting two-way transactions with vendors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h. Transmitting information to county departments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i. Receiving information from county departments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
j. Transmitting information to non-government agencies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
k. Receiving information from non-government agencies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
l. Transmitting information to state agencies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
m. Receiving information from state agencies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

10. Please answer the following questions about Geographic Information Systems (GISs) in your county:

a. Does your county have a GIS?

- Yes, we have a single countywide system.
- Yes, some county departments have independent systems.
- No, but development of a system is in progress for the county.
- No, but development of a system is in progress for some county departments.
- No, we share a system with a local municipality.
- No, we share the state system.
- No, we do not use GIS.

b. If your county has a GIS, how useful would you say it is?

- Extremely useful
- Very useful
- Somewhat useful
- Not very useful
- Not at all useful

c. If your county has a single countywide system, please identify the departments that use it and explain how departments contribute information to it.

The County has been actively using Geographic Information Systems since 1987. Our 14 years of GIS experience has led to the development of a nationally recognized GIS infrastructure that is widely used and accepted by many of our departments (Attachment IT.10c.-1 “Enterprise GIS Overview”). These departments have experienced the benefits GIS provides their missions, and have incorporated this into their business processes.

Supporting these departments requires a wide variety of information that is acquired from many sources, most importantly our own departments. We are fortunate to have the cooperation of all departments using GIS services to contribute their specific information into our GIS library for use by all requiring it. Regardless what

department owns the information, it is delivered to the GIS library for all departments to use.

Examples of large departments using GIS and the contributions they make to our GIS library are (in alphabetical order):

Assessor: For the last two years the Assessor's office has been converting their paper-based parcel maps to an electronic format. The project involves over one million parcels and is targeted to be complete by the end of 2001. As completed this information is being transmitted to the GIS Portal for use by all departments, outside governmental agencies, and eventually the citizens of the County.

Elections: One of the responsibilities of this department is to maintain maps of all electoral boundaries within the County. By incorporating GIS technology into this function, complex redistricting is now completed with a fraction of the effort, and other departments readily share the information. The contribution of this information is used for Government-to-Government (G2G), Government-to-Citizen (G2C), and Government-to-Business (G2B) activities.

Emergency Operations Center (EOC): Under the initiative of the Geographic Information Officer (GIO) the EOC is using GIS to automate many of its emergency operations and is beginning to contribute information to the GIS portal. The contribution of this information is used for G2G, G2C, and G2B activities.

Flood Control: With a high degree of GIS integration in their engineering processes, a substantial number of functions at the Flood Control District use and develop data of a geographic nature. They are custodians of a wide variety of analyzed GIS data contributed to the GIS Portal, e.g., parcels, rain gauge, hydrology, flood plain, etc. The contribution of this information is used for G2G, G2C, and G2B activities.

Parks and Recreation: This department is using GIS to contribute to the documentation of County recreational facilities. This information is used by other departments in their business process and enhances the public's awareness of the recreational services available. The contribution of this information is used for G2G, G2C, and G2B activities.

Planning and Development: This department uses GIS technology to produce and maintain information on permitting, zoning, and city annexation for their business processes as well as for transmission to the GIS portal.

Sheriff's Office: This department is the newest member of the GIS family from a contribution standpoint. Select GIS related information is developed from their data and will be used to modernize the services they provide to the officers, other departments and the citizen at large. The contribution of this information is used for G2G, G2C, and G2B activities.

MCDOT: This department uses GIS as a core technology to manage the enormous amount of information essential to the construction and maintenance of its transportation system. MCDOT had leveraged its extensive GIS experience to promote this technology into departments throughout the County. A variety of geographic data from MCDOT is used to spatially integrate departmental GIS efforts into a cohesive enterprise information clearing-house. This information is used for G2G, G2C, and G2B activities.

- d. Please provide examples of the level and type of support the GIS provides to meet the needs of the county overall.

Our GIS is a substantial contributor to the County's mission through their support of enterprise and departmental initiatives and programs. GIS support has produced substantial monetary savings by assisting in the streamlining of internal business processes that result in a more effective and efficient of services to our citizens.

The County Geographic Information Officer (GIO) is responsible for the development and oversight of the GIS framework providing this support. Key components of this framework are:

The development and maintenance of the Master GIS database catalog;

The establishment and management of the GIS portal (a central data repository);

The development of standards-based GIS practices;

An enterprise-wide GIS Website with links to departmental homepages (under development);

Enterprise-wide e-Commerce data distribution, hot-linked from the County's GIS Website (under development);

The County GIS Technical Council, a regional group of government and utility GIS users; and

Ortho-rectified aerial imagery verified by data from MCDOT's Geodetic Densification and Control Survey (GDACS).

Examples of GIS integration into County business processes include the following:

The GIS-based Roadrunner program, (see Attachment IT.14.-3) which provides a dynamic inventory of attributes for all County maintained roads, including surface types and maintenance schedules;

GIS-based hydrological and land databases provide comprehensive flood control project modeling and mapping;

GIS applications allow precinct and political jurisdictional boundaries to be dynamically altered and viewed using live data;

Conversion of paper parcel maps to GIS, and the web-enabled application of this data, gives the public access to property valuation and comparison information; and

GIS zoning coverage allows multiple front counter staff to simultaneously access data in order to provide faster, more accurate customer service in the permitting process.

- e. Please provide examples of the level and type of support the GIS provides to meet the needs of individual departments.

Please see Comments and Attachment IT.10e.-1, which is a portfolio of GIS-generated displays produced by the MCDOT GIS team. These displays are indicative of the variety of information that is available on the GIS enterprise server. By pooling resources and ensuring that each department contribute information pertaining to their areas of expertise, a wealth of data is available to the entire community.

- 11. Please answer the following questions about how information technology personnel are organized in your county:

- a. Does your county have a Chief Information Officer (CIO)?

No Yes

- b. If your county does not have a CIO, who is the highest-level official responsible for information technology management in your county?

- c. To whom does your county's CIO or the highest-level official responsible for information technology report?

Our CIO reports directly to David Smith, the County Manager.

- d. What are this individual's major responsibilities?

As a matter of governance policy, the CIO is the lead technology officer of the County and is responsible for:

Providing strategic vision and resource deployment at the Enterprise-level; acting as change agent and principal integrator of the County's IT capability.

Defining the Enterprise-level architecture and facilitating the flow of information between County departments, outside organizations and citizens.

Managing the governance structure including: 1) developing Enterprise IT policy; 2) facilitating standards which provide direction and overall lowest total cost of ownership; 3) establishing security principles and guidelines; 4) developing and facilitating management of Communities of Interest; and 5) resolving issues between Communities of Interest and/or departments.

Encouraging funding models that facilitate infrastructure development and Community of Interest partnerships; acting as a consultant to senior management on Information Technology program proposals; partnering with the Deputy County Manager to facilitate a technology budget issue review as part of the annual budget development process.

Developing the IT infrastructure at the Enterprise-level and managing network security.

Coordinating Enterprise vendor relationships and assisting departments in optimizing vendor performance.

Partnering with Human Resources in conducting IT salary market surveys; developing and publishing the County Information Technology Position Reference Guide; consulting with technology officers and Human Resources on IT staff retention, recruitment, and compensation proposals.

Representing the technology interests of the County to parties external to the County.

Providing the County Manager and Board of Supervisors with annual goals describing the infrastructure and operational plans for Enterprise-level information systems and technology.

Providing technical advice and support to the County Manager and Board of Supervisors; providing technology consulting services to agencies, departments or individuals on an as-requested basis.

Encouraging and making recommendations to County management for shared services and consolidated operations (e.g. GIS, data warehouses, data centers, etc.).

Reviewing technology-related items at the request of the Board of Supervisors.

The CIO may also convene, as necessary, select committees or oversight bodies to address Enterprise-level issues impacting project or fiscal technology governance.

- e. Please explain the extent to which information technology management in your county is centralized (where a county department or office is responsible for making policy decisions on countywide acquisition and management of technology), decentralized (where this responsibility is delegated to the department level), or shared. On what basis is the decision to delegate management responsibility made?

Please see Comments.

12. We would like to understand the relative level of involvement of the various actors who perform key information technology management functions in your county. In each column below, please rank the level of participation of each actor on a scale of 1 to 5, where a rank of 1 indicates that a particular actor is *not involved* and a rank of 5 indicates that a particular actor is *very involved*.

	Making policy about the design and use of IT systems	Developing IT strategic plans	Designing and developing IT systems and projects	Approving the procurement of IT systems and hardware	Implementing IT systems and projects	Overseeing the implementation of IT systems and projects
a. County board, council, or commission	3	2	1	5	2	2
b. Legislative committee(s)	0	0	0	0	0	0
c. Chief elected official	0	0	0	0	0	0
d. Chief administrative officer	5	3	2	4	2	4
e. Executive committee(s)	5	5	3	5	3	5
f. Chief Information Officer	5	5	3	5	3	5
g. Central county IT office	5	5	5	5	5	5
h. IT steering committee	5	5	4	5	4	5
i. Individual departments	5	5	5	5	5	5
j. IT end-users	4	4	4	4	5	4
k. External consultants	2	3	3	2	3	3
l. External vendors	1	1	3	2	3	3
m. Citizens	2	2	2	1	1	2

13. Please answer the following questions about information technology planning:

a. Does your county have a countywide information technology strategic plan?

No Yes In progress (*projected completion:* _____)

b. If yes, what time frame does it cover? 3 years

c. If yes, when was it last *formally revised*? MM/YR April 2001

d. If yes, how frequently is the plan *reviewed*?

- At least every 6 months
- Annually
- Biannually
- Every 3 to 5 years
- Every 6 to 10 years
- Less frequently than every 10 years

e. If yes, which of the following components does it include? (*Please check all that apply.*)

- A vision statement
- A mission statement
- Specific core values
- Specific long-term goals (beyond 1 year)
- Specific short-term objectives (1 year or less)
- Specific performance measures for each goal
- Specific performance measures for each objective
- Specific benchmarks for each goal
- Specific benchmarks for each objective
- Clear assignment of responsibility for achievement of each objective
- Discussion of action plans designed to achieve each objective
- Discussion of key external factors that may affect achievement of each objective
- Other components (*Please specify:* Methodology of approach
_____)

- f. Does your county have an overall strategic plan?
 No Yes In progress
- g. Is there an information technology component to your county's overall strategic plan?
 No Yes In progress

- h. What proportion of individual county departments has information technology strategic plans in place?
 100% Over 60% 40-60% Less than 40% None
Please identify the departments that do a particularly good job at strategic planning.

ALL individual county departments with internal IT units have information technology strategic plans in place. The Information Technology Organization (see Question 11e Comments) reflects the scenario that not every County department has its own IT unit. We have chosen to consolidate and leverage the support of the administrative services departments (26 in total).

Strategic Planning Examples

Superior Court IT Strategic Plan 2002-2004	Attachment IT.13h.-1
Maricopa County Superior Court IS Strategy April, 2001	Attachment IT.13h.-2
ICJIS Strategic Business Plan	Attachment IT.13h.-3
Planning & Development (IT Plan & Business Plan)	Attachment IT.13h.-4

- i. If individual county departments have overall strategic plans, what proportion have an information technology component to them?
 100% Over 60% 40-60% Less than 40% None

14. Does your county have a formal Information Systems Development Methodology (ISDM)? (Note: *For an explanation of what we mean by an ISDM, see the definitions at the front of this survey.*)

No Yes If so, please describe it (*or provide relevant documentation*).

Please see Comments and Attachments IT.14.-1 through IT.14.-4.

15. Please answer the following questions about how your county evaluates any or all proposed hardware and software systems before they are procured.

a. How does your county systematically evaluate the anticipated *monetary benefits and costs* of any or all proposed hardware and software systems before they are procured? (For example, do you calculate return on investment, net benefits, cost-benefit ratios, or cost effectiveness?)

Through the formal Results Initiative Request (RIR) Process, the Office of the CIO and the Office of Management and Budget jointly evaluate IT investment proposals in terms of full life cycle cost taking the following into consideration:

Monetary Benefits:

- Committed labor savings (i.e. reduced headcount)
- Hardware and software savings (i.e. more cost effective platforms)
- Physical plant savings (i.e. less space requirement)
- Travel expenditure savings
- Increased revenue

Monetary Costs:

- Technology acquisition costs
- Temporary staff or consultants

- On-going increase to base budget for maintenance
- Cost impacts upon other departments
- Telecommunications and infrastructure upgrade requirements
- Technical and end-user training costs
- One-time conversion cost
- Long-term effect of modifying or customizing vendor software

Please also see Comments.

- b. How does your county systematically evaluate the anticipated *non-monetary benefits* of any or all proposed hardware and software systems before they are procured? (For example, do you examine improvements in service level, speed, or quality?)

Through the formal RIR Process, the Office of the CIO and the Office of Management and Budget jointly consider whether the proposal:

- Simplifies doing business with the County
- Speeds up and aligns work along true business processes
- Makes geographic distance irrelevant
- Improves critical decision making
- Enhances public perception and involvement
- Improves employee education and morale
- Organizes government in innovative or better ways

Please also see Comments.

- c. How does your county systematically evaluate the anticipated *non-monetary costs* of any or all proposed hardware and software systems before they are procured? (For example, do you examine new training burdens or temporarily diminished service levels as new systems are brought online?)

Through the formal RIR Process, the Office of the CIO and the Office of Management and Budget jointly considers whether the proposal:

- Impacts or necessitates Intergovernmental Agreements (IGA)
- Requires complex contract conditions or license agreements
- Requires that software be copyrighted by the County
- Deviates from any County-wide or Electronic Community standard
- Creates a defacto standard for new technology
- Creates a risk due to new technology which is unproven in a production environment
- Creates a risk to County network security
- Creates long-term dependency on any vendor in a high-risk profile including financial hardship or significant market downturn
- Creates general staff morale issues relative to outsourcing

Please also see Comments.

- d. For what size purchases are these evaluations generally required? (That is, how big a project – in terms of dollar value or proportion of the county government affected – usually warrants this type of analysis?)

The Office of the CIO and Office of Management and Budget jointly review all IT RIR Requests, regardless of amount. The most rigorous scrutiny is applied to proposals greater than \$25,000 or those which require a permanent increase in the base budget.

- e. Who is responsible for making these evaluations?

Final evaluations are made by the Office of the CIO and the Office of Management and Budget.

16. Please answer the following questions about how your county evaluates any or all of its hardware and software systems upon full implementation.

- a. How does your county systematically evaluate the *monetary benefits and costs* of any or all of its hardware and software systems after they have been operational for at least several months? (For example, do you calculate return on investment, net benefits, cost-benefit ratios, or cost effectiveness?)

As indicated in the submitted prefacing remarks to Questions 16a-16c, such an evaluation or study would be conducted as a result of an ongoing, forward-looking continuous improvement evaluation which occurred subsequent to a new system deployment. The focus of the study would not be on the technology per se, but would be upon improvement in the relevant monetary business metrics such as:

- Improvement in labor costs (i.e. personnel)
- Improvement in non-labor costs (e.g. systems, travel, materiel, physical space, etc.)
- Improvement in transaction costs
- Improvement in revenue collection

Observation of these business metrics would then trigger the next steps to be taken regarding information technology.

- b. How does your county systematically evaluate the *non-monetary benefits* of any or all of its hardware and software systems after they have been operational for at least several months? (For example, do you examine improvements in service level, speed, or quality?)

Having been initiated for the reasons outlined in Question 16a, the focus would be upon the relevant non-monetary business metrics such as:

- Improvement in true business process or workflow
- Improvement in customer convenience
- Improvement in decision-making
- Improvement in public perception and involvement
- Improvement in employee education and morale
- Improvement in government organization
- Improvement in system performance (technology)

Again, observation of these business metrics would trigger the necessary follow-on steps to be taken regarding information technology.

- c. How does your county systematically evaluate the *non-monetary costs* of any or all of its hardware and software systems after they have been operational for at least several months? (For example, do you examine ongoing training burdens?)

Consistent with a continuous business improvement perspective, evaluation of the non-monetary costs associated with a new system would be focused upon long term business impacts to be solved for (versus interim migration or conversion issues). Such potential impacts would include:

- Increased information or process dependencies between agencies
- Requirements for new governance structures or communication mechanisms
- Access to legacy data or information in old formats
- Need for effective working relationships with new external business partners
- Role ambiguity due to middle-management or staff position changes
- Potential re-design of IT organization

An example of a post-implementation analysis was a study commissioned by the Office of the CIO regarding the Justice Information System (JIS) Technology Organization (Attachment IT-16.-1). The purpose of the study was to discern what organizational design issues were present as a result of their system migration activities. The outcome of this study was a change in leadership and a refined organizational model.

d. Who is responsible for making these evaluations?

Consistent with the concept of continuous evaluation and improvement, several parties play a key role in the review of such activities from a business performance perspective. Depending upon the area and scope, they may include one or more of the following:

- Citizen Oversight Committee
- Electronic Government Council
- Executive Leadership – for Enterprise-wide Systems
- Electronic Community Leadership – for multi-agency Electronic Communities
- Department Management
- Office of the CIO
- Office of Management and Budget
- Outside Consultants – at the request of any of the above

One of the key aspects of implementing a County-wide MFR program (with standardized measures and benchmarks) is that each of the above organizations would have on-line access to the same business performance data.

e. How often does your county formally evaluate benefits of fully operational hardware and software systems? (*Please check one.*)

- Semi-annually
- Annually
- Biannually
- Every 3 to 5 years
- Every 6 to 10 years
- Less frequently than every 10 years
- Only once (upon initial implementation of the system)

f. Please explain how these evaluations are used in your county's information technology planning process.

Please see Comments.

g. What happens if your county discovers that a system has not met expectations with regard to costs and benefits?

Please see Comments.

17. Please answer the following questions about how the procurement process for major hardware and software systems (i.e. *not* off-the-shelf items) works in your county.

a. Are these procurements centralized? (*Please check one.*)

- Handled mainly at the county level
- Handled mainly at the department level
- Handled jointly by the county and departments

If this varies, please describe how.

b. Are front-line managers and end-users formally involved in the procurement process?

- No
- Yes

If so, please describe how.

The procurement process, by its very nature, is inclusive because the centralized procurement function depends upon the requesting department and end-user to assist in all phases of the procurement processes; especially: the definition of requirements and functionality for the preparation, analysis, review, selection, and award recommendation.

c. How long does it usually take to write Request For Proposals (RFPs) for major *countywide* hardware and software systems?

- Less than 6 months
- 6 months to 1 year
- Over 1 year

d. How long does it usually take to write Request For Proposals (RFPs) for major *departmental* hardware and software systems?

- Less than 6 months
- 6 months to 1 year

Over 1 year

e. What does the procurement process for major hardware and software systems involve? *(Please check all that apply.)*

Formal competitive bidding

How long do procurements using formal competitive bidding usually take (from approval of the proposal to the beginning of roll-out/implementation)?

Less than 6 months

6 months to 1 year

Over 1 year

Negotiated competitive bidding

How long do procurements using negotiated competitive bidding usually take (from approval of the proposal to the beginning of roll-out/implementation)?

Less than 6 months

6 months to 1 year

Over 1 year

Negotiated non-competitive bidding

How long do procurements using negotiated non-competitive bidding usually take (from approval of the proposal to the beginning of roll-out/implementation)?

Less than 6 months

6 months to 1 year

Over 1 year

Other *(Please describe: _____)*

How long do procurements using this process usually take (from approval of the proposal to the beginning of roll-out/implementation)?

Less than 6 months

6 months to 1 year

Over 1 year

18. Please answer the following questions about how the procurement process for small commodity items (such as off-the-shelf PCs and software) works in your county.

a. To what extent is your county able to use master contracts for the purchase of small commodity items?

- Not at all Occasionally Sometimes Usually Always

b. To what extent is your county able to use state contracts for the purchase of small commodity items?

- Not at all Occasionally Sometimes Usually Always

c. To what extent is your county able to use joint city/county contracts for the purchase of small commodity items?

- Not at all Occasionally Sometimes Usually Always

d. If your county uses master contracts, what does the award of these contracts involve? (*Please check all that apply.*)

Formal competitive bidding

How long does the award of a master contract usually take?

- Less than 6 months
 6 months to 1 year
 Over 1 year

Negotiated competitive bidding

How long does the award of a master contract usually take?

- Less than 6 months
 6 months to 1 year
 Over 1 year

Negotiated non-competitive bidding

How long does the award of a master contract usually take?

- Less than 6 months
 6 months to 1 year
 Over 1 year

Other (*Please describe:* _____)

How long does the award of a master contract usually take?

Less than 6 months

6 months to 1 year

Over 1 year

- e. If your county does not use master contracts, please explain how the purchase of small commodity items is accomplished.

Please see Comments.

19. Please answer the following questions about your county's information technology project tracking process:

- a. Which of the following best describes the process your county uses for tracking the implementation/roll-out of any or all information technology projects after their approval?

We do not have a formal information technology project tracking process.

Information technology projects are tracked at the department level only.

Information technology projects are tracked at the department level, with an informal process at the central level.

Some information technology projects are formally tracked at the department level, and some are formally tracked at the central level.

Information technology projects are tracked almost entirely at the central level.

- b. Please describe your project tracking process. In particular, how does your county track and report on information technology project delays and cost overruns? Who produces these reports, who uses them, and how are they used?

Please see Comments and Attachments IT.19.-1 and IT.19.-2.

IT.19.-1 represents an example of project tracking at the Electronic Community level.

IT.19.-2 represents an example of project tracking at the Department Level.

20. Please answer the following questions about reporting on information technology:

- a. How does your county track and report on information technology service levels? Who produces these reports, who uses them, and how are they used?

Please see Comments and Attachments IT.20a.-1 through IT.20a.-6.

- b. How does your county track and report on costs for information technology commodities (such as phones, personal computers, and email)? Who produces these reports, who uses them, and how are they used?

The County, through a portfolio of vehicles, tracks and reports the life-cycle costs of its IT commodities. The financial details relating to the acquisition of all IT commodities and their asset numbers are maintained by our core administrative systems. Each department, consistent with the federated approach of government, tracks life-cycle cost of personal computers, printers, software, and peripherals purchased by or for them.

The majority of departments (20) use a "total PC management" package named Altiris, originally developed by Compaq for use with their PCs. Now a private company, Altiris provides us with the ability to automate many PC tasks including OS installation and configuration, software installation, maintenance and asset tracking. Associated executables are installed on each desktop PC that communicates system information back to the server every few seconds. Reports are generated monthly using Crystal Reports to assist managers in their planning and equipment refresh programs.

The cost of all electronic mailboxes on the central system are reported monthly, on a "cost per mailbox" basis. This "cost per" figure is derived by compiling all operational and maintenance costs and dividing it by the number of boxes. As one

of our performance metrics for MFR, reports are generated monthly by EBC and distributed to all departments.

The cost associated with all telephones, pagers, and cellular devices are tracked and reported by our Telecommunications Department. Reports are issued monthly to all departments, detailed to the specific device for them to use in monitoring their costs. Specific reports issued are Cell Phone and Pager Analysis by Department, Cellular Usage and Rate Plan Analysis, and Cellular Costs Per Minute. Two areas that have benefit from these reports are:

Long Distance Charges

We have been able to substantially reduce our cost per minute charges after analyzing the data from our Phone and Pager Analysis reports. By leveraging the information obtained in these reports, the new contract reduced our basic long distance cost costs by 68%. This represents a minimum saving to the county of \$100,000 annually.

Cell Phone Charges

Monitoring cellular phone cost has allowed us to develop a program that matches phone usage to various plans within the provider's contract. From the Cellular Usage Rate Plan Analysis report, we are able to identify all phones that under or overuse their contracted minutes, then automatically switch them to the appropriate contract for their actual use.

Since introducing this program in May of 1999, we have increased the number of cell phones supported from 810 to 1,324 units at an annual cost increase of \$4,000 (\$59,000 vs. \$55,000). This represents a substantial increase in the effective use of cell phones in the delivery of services with minimal cost associated to it.

Please see Attachments IT.20b.-1 through IT.20b.-3.

21. Please answer the following questions about standardization of information technology:

- a. To what extent are the following components of your county's information technology system standardized? (*Please check as most appropriate.*)

Formal, written Informal, *de facto* No standards

	standards in place	standards in use	
Software packages	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Desktops	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mainframe	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stand-alone computers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The server environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Networks	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Security protocols	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- b. If your county has either formal, written standards or informal, *de facto* standards for any of these components, to what extent is each compliant with the existing standards? (*Please check as most appropriate.*)

	Extremely compliant	Very compliant	Somewhat compliant	Not very compliant	Not at all compliant
Software packages	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Desktops	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mainframe	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Stand-alone computers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The server environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Networks	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Security protocols	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- c. How are the standards enforced and by whom?

The Roles

The IT Governance Model, as described in Question 11e, also applies to the arena of IT Standards and defines the key players and their respective roles. The 3-Tier IT Governance Model applies as follows:

Tier 1: The OCIO is responsible for establishing County-wide standards. Attachment IT.21.-1 reflects various IT News Flash Bulletins issued by the CIO addressing IT Standards issued over the past several years.

Tier 2: The various electronic communities define their respective community standards within the spectrum defined by the CIO. Attachment IT.21.-1 is the County's Integrated Architectural Reference Model and presents a graphical portrayal of the various components of our enterprise architecture. These standards are forwarded to the OCIO for inclusion into the Maricopa County Architectural Plan (see Attachment IT.21.-2), the Maricopa County Technology Roadmaps (see Attachment IT.21.-3) and the IT Master Plan (see Attachment IT.13.-1).

Tier 3: Individual departments are given latitude within the boundaries established by the CIO and applicable Electronic Communities.

Standards Establishment

IT standards are derived and established via collaborative exercises. The CIO's preference is to use a high-level marketing approach instead of declaring standards in isolation. The high-level marketing approach is two-pronged: 1) facilitate discussions amongst technologists to achieve voluntary buy-in, and 2) mentor the County business leaders to increase their understanding of IT management practices and promote partnerships between their departments and the OCIO.

Tier 1: The OCIO's Enterprise Architect conducts an annual Technology Roadmaps Review. The process consists of numerous workgroup sessions, (cross-County IT representation) to discuss, review, and derive the standards that are reflected in the Technology Roadmaps. Workgroups average 8-9 people for each environment. Once the roadmaps reach a final draft stage they are presented to the CIO for review. The CIO's comments are incorporated and then the draft roadmaps are emailed out to the IT Leadership for a final round of review. The Technology Roadmaps are finalized, published and posted on the Electronic Business Center (the County's Intranet), under the "Technology World" website for easy access.

Tier 2: The Electronic Communities identify, develop and determine their standards either via internal workgroups conducted by the IT subcommittee, with oversight by the COI's business leaders, or by contracting with external IT subject experts. The Integrated Criminal Justice Information System (ICJIS) project best reflects the County's mindset. The County contracted with outside experts to identify and establish the standards required for a successful implementation from the very beginning of the ICJIS project. Attachment IT.7.-8 is the complete Target Convergence Architecture Plan for ICJIS & JLE Departments facilitated by Emerald Solutions. This document reflects the standards proposed for the County's ICJIS and Justice and Law Enforcement communities.

Tier 3: The departments establish their own standards for workstations, printers, wireless devices, etc., using the parameters of the Technology Roadmaps.

Standards Enforcement

Not surprisingly, the preferred enforcement method focuses on re-enforcement of positive benefits instead of heavy-handed punishment. Discussion and information sharing have been the non-confrontational means of enforcing standards. The County takes a firm position regarding standards adherence.

Enforcement is now being monitored by three key players: the OCIO, Materials Management, and the Office of Management and Budget (OMB). The OCIO and the procurement department, Materials Management, have partnered to communicate IT standards and trends that are preferred by the OCIO's office. Their collaboration occurs as part of daily business operations. The OCIO promotes the use of the various IT procurement vehicles to maximize cost savings. The OCIO has facilitated a number of meetings with our procurement specialists and IT leaders to discuss and resolve issues. If a County department issues a Request For Proposals, the OCIO is contacted, either by the County department or Materials Management for consulting services.

Another example of the OCIO's level of influence is the fact that the Board of Supervisors has declared that all technology-related agenda items will be reviewed and approved by the OCIO prior to the agenda item appearing on the formal meeting notice. The review activities occur on-line via the County's Agenda Central workflow application (see Question 27 Comments). The third type of enforcement activities occur during the annual budget preparation/submittal process. The process was discussed in great deal in the response to Question 15. See Preface to Question 15 for examples of the documentation required prior to technology requests being reviewed and recommendations being made.

At the Electronic Community level, standards are enforced by promoting communication in their IT subcommittee activities, project briefings being given to the business leaders or oversight committees, and project status reports being forwarded to the CIO and other Executive County leaders.

EXAMPLES

The following represents a number of examples in which circumstances required the establishment and implementation of standards quickly and across the County.

1997 – County-wide Anti-Virus Software Standard

The County took advantage of an exceptional financial opportunity by checking the horizon and noticing a developing default McAfee anti-virus software base. The OCIO's office took the initiative and obtained a Board-approved sole source agreement for McAfee anti-virus software, leveraging all the planned McAfee software purchases for that fiscal year. This initiative was completed in less than 90 days. The anti-virus software is changing this year, due to the changing technology environment and maturing anti-virus protection needs at the County. Attachment IT.21.-4 contains examples of the Anti-Virus Announcement and other examples.

1997 - E-mail Records Retention & Disposition (RR&D) Schedule Standards & Policy

The County encountered its first inappropriate use of email incident in mid-December, 1997. The incident surrounded the tone (flame-mail) and volumes of email of a senior manager. While the email account review was underway, the OCIO focused on ensuring the County had the tools and processes in place to avoid a repeat of the situation. A County-wide email policy was drafted and adopted, requiring written employee acknowledgement of the email policy. In addition, a PC/LAN taskforce was charged with identifying the technology requirements and parameters for email and electronic records retention and disposition schedules. The taskforce developed a draft RR&D Schedule within two weeks. The draft RR&D Schedule addressed retention requirements for email records, electronic calendars, electronic copies of formal communications, voice mail messages, etc. The draft was approved by the Arizona State Department of Records Management within a week. The RR&D schedule was immediately adopted by Maricopa County and all technology departments revised their backup system policies and procedures to support the approved schedule. The initial RR&D Schedule has become part of the Model Standardized RR&D Schedule for County Officials and Agencies, published by the Arizona Department of Library, Archives and Public Records. Attachment IT.21.-5 contains examples of the aforementioned RR&D schedules.

1999 MS Conversion Project

The Justice and Law Enforcement Agencies in the JLE Electronic Community agreed to migrate or convert to the County's standard office suite software tool. This massive conversion project was completed within a single fiscal year. Attachment IT.21.-6 contains meeting agendas and meeting minutes reflecting the project updates delivered to the electronic community business leaders (MCJUSTICE) and technology subcommittee (JaLET).

Network Security Improvement Program

Beginning two years ago, Telecommunications instituted a process by which all County servers accessible from the Internet are audited periodically for conformance with established security best practices. The audits are performed under contract with Phorge - a consulting firm specializing in enhancing network security. Working together, Phorge and Telecommunications staff members documented and published approved server configurations and "patch" application requirements. A Phorge consultant works with the individual LAN managers to ensure the highest-possible server security. Following an on-site audit, Phorge issues a 'pass' or 'fail' grade for the server. In the instance of a failed audit, specific recommendations are issued that will allow the server to be brought into compliance.

Only servers that pass their audit are permitted Internet access through the County firewall. On a random schedule, Phorge returns to each server annually and conducts a follow-up audit. Phorge has also developed an on-line security alert system which notifies all system administrators of new security issues and recommended patches.

These network security standards and associated enforcement measures have been established not only to protect those servers with Internet access, but also all the remaining servers on the County data network. By virtue of sharing a network backbone, all servers are potentially vulnerable to being “hacked” from the outside if an Internet-connected server is compromised.

2001 Technology Desktop/Server Leasing Program

In 2001, OMB, the Department of Finance, and the OCIO announced a new desktop/server leasing program. This program was discussed during the budget preparation process and a formal memo was issued on April 27. The program will be launched July 1, 2001, at the start of the new fiscal year. Attachment IT.21.-7 contains the memo and a copy of the open job posting for the technology coordinator. This is another example of how quickly progress is made in Information Technology.

- d. Please identify any major independent nonstandard systems that exist in your county and explain the extent to which you believe these systems cause inefficiency.

The County has worked rigorously to standardize its electronic mail systems from 11 separate systems in the 1990's into a single, common platform, which is Microsoft's EXCHANGE. The only exception up until now, the Maricopa County Attorney's Office (MCAO), had chosen to remain non-standard on Novell's GroupWise platform.

Interoperabilities between the two systems prevented County Attorney employees from leveraging such time/money saving features as setting appointments, sharing public folders, sharing contacts and tasks, and work collaboration from being used and/or realized between County Attorney employees and the rest of the County. The dissimilar systems have increased the cost of providing and maintaining electronic mail and scheduling to the County. Additionally, special gateway software had to be purchased to maintain a minimal level of e-mail connectivity between the two systems. This software requires additional hardware and labor to

maintain. We are quite pleased to report, however, that in mid-May 2001, the MCAO agreed to migrate to the MS EXCHANGE platform within the next fiscal year. The entire County will then be on one standard.

- e. How easily can individuals in different departments communicate with each other using email and email attachments?
- Very easily Fairly easily Not very easily Not at all easily

- f. Is ownership and management of telecommunications in your county centralized?
- No Yes

If not, who controls the telecommunication system?

- g. To what extent is the management of telecommunications and data integrated in your county? (*Please check one.*)
- Highly integrated Somewhat integrated Not very integrated

22. Please answer the following questions about training programs offered to end-users regarding the use of information technology:

- a. Is training for end-users mandatory?
- Usually mandatory Sometimes mandatory Usually voluntary

- b. How frequently are end-user training programs offered?

Daily Weekly Monthly Annually On demand

c. What percentage of employees participate in end-user training programs each year?
(If training is provided via self-paced computer software applications, this refers to the percentage of employees who actually complete such programs.)

0-25% 26-50% 51-75% 76-100%

d. Are there any minimum training standards or requirements for end-users?

Usually Sometimes Rarely

e. Who usually conducts end-user training?

External consultants
 Product vendor
 Local college or university
 County's central information technology office or department
 Other (*Please specify: County employees, known as Adjunct Faculty*)
_____)

f. Who pays for end-user training?

Central county office
 Individual department
 Individual employee

g. How does Information Technology training vary for contract employees, if any?

Training for contract employees is made at the department level. There is not a specific policy excluding "contract employees" from receiving training.

Please see Comments.

23. Please answer the following questions about your county's dedicated information technology staff (employees whose job is the management, operation, or maintenance of information technology):

a. How many dedicated IT staff persons are employed by your county in total (including both those in the central office and in the departments)?

Total permanent, full-time employees: 400

Total permanent, part-time employees: 50

Total temporary, contingent, or dedicated contract employees: 25

b. Is training for dedicated information technology staff mandatory?

Usually mandatory Sometimes mandatory Usually voluntary

c. Are there any minimum training standards or requirements for these staff?

Usually Sometimes Rarely

d. How often are training programs offered for dedicated information technology staff?

Daily Weekly Monthly Annually On demand

e. What percentage of these staff participate in training programs (including through self-paced computer software applications) each year?

0-25% 26-50% 51-75% 76-100%

f. Who usually conducts training for dedicated information technology staff?

External consultants

Product vendor

Local college or university

County's central Information Technology office or department

Other (*Please specify:*

_____)

g. Who pays for training for dedicated information technology staff?

Central county office

- Individual department
- Individual employee

24. Please explain the extent to which your county outsources information technology systems, projects, or services.

Maricopa County leverages outsourcing across a broad spectrum of service models which include:

Complete business process operations

Applications service provider (ASP) functions

Equipment maintenance

Consultive services

Technology services

Contract personnel

An example of each of these is provided below:

Example: Complete Business Process Operations

In September 1995, the County contracted with HBO & Company to outsource the entire administrative operations of the Health Care System (including the County Hospital and Family Health Centers). This included the transfer of all related technology assets and personnel. The objective was to partner and share in the risk of delivering mandated services. The technology component was developed and project-managed by the Office of the CIO. The results of this engagement have been outstanding with substantial financial benefit to the County.

Example: Applications Service Provider

In early 2001, Maricopa County contracted with PDS for the entire IT provisioning of a new employee benefits system. The system is hosted from the PDS operations site in Blue Bell, Pennsylvania and is presently being used by the Human Resources Department.

Example: Equipment Maintenance

In 1997, an analysis of PC/LAN maintenance costs was conducted which compared the total cost of internal maintenance to private sector proposals. The analysis indicated that

outsourcing would be cost effective and would provide efficiencies in the delivery of services. On behalf of all County departments, an enterprise-wide contract was established with Sentinel Technologies for support of selected desktops, servers, laptops, printers, and other peripheral devices. Under the agreement, departments are offered two options of service: monthly fee or time and materials. Over the past 4½ years, the contract has proven to be better than anticipated, and the quality of service has been highly-rated by our PC/LAN managers and their customers. Recently, a decision has been made to extend a new Request for Proposals (RFP) when the current contract expires in August, 2001.

Example: Consultive Services

Maricopa County regularly engages IT consultive services at two different levels: recurring and ad hoc.

For recurring services, the County contracts with Gartner Group at their highest level (Advisory). This provides access to an extremely broad and deep array of technology resources from the pre-eminent IT industry experts. Resources are available on-line and through highly specialized consultants in every business process and technical area, most recently including e-Government.

For ad hoc services, the County routinely contracts with a wide variety of specialized IT consultive services through bid or RFP. For example, during the past two years, there have been several comprehensive studies conducted that have been instrumental in guiding our Justice and Law Enforcement (JLE) and Electronic Procurement System (EPS) activities. These included:

Copeland Information System Strategy Study – to provide guidance in establishing an electronic information exchange strategy between the Clerk of Court, Superior Court, and other law enforcement agencies. The recommendations of the study were adopted into the County Integrated Criminal Justice Information System strategy.

Gartner Electronic Procurement System Study – to provide guidance and RFP development for a new County eProcurement System. Gartner was awarded a contract to complete a full analysis of our current system and to develop a plan for procurement and implementation of a new system.

Example: Technology Services

During the past eight years, the Telecommunications Department has outsourced the cable and fiber installation of the County network to ACS Dataline. In doing so they have been able to accommodate the rapid growth of network services while meeting the often unexpected needs of their customers in terms of moves, adds and other changes.

Example: Contract Personnel

For purposes of ongoing access to a pool of IT specialists at pre-established rates, Maricopa County has established a County-wide Information Technology Consultant Contract—with an innovative twist. To facilitate effective communication and encourage competition among the many IT Consulting vendors, the County developed an IT Specialist Extranet. We leveraged our robust web and groupware infrastructures to develop a solution for soliciting quotes for consulting services.

When consulting services are required, the IT Director brings up a web page on the EBC (the County's Intranet) and completes a form including the project parameters, IT skills required and a detailed statement of work. Clicking on a "submit" button automatically formats and sends an email to all vendors registered to provide consultants with the specified skills. The mailing is done by an Exchange mail server using custom distributions lists that categorize all vendors by the type of consultants for which they submitted bids. Each vendor is provided with a userid and password protected Exchange mailbox.

The IT Specialist Extranet has been a true win-win for the County and the vendors. Bids are requested and submitted much more quickly as the entire process is electronic. The County benefits from lower costs through increased competition.

25. Please describe any programs your county has developed for disaster recovery to promote business continuation.

Maricopa County is implementing a new Disaster Recovery (DR) Policy (Attachment IT.25.-1) which reflects our experience in preparing for Y2K migration. During Y2K preparation, all County departments were required to have a formal scope, risk assessment, and contingency plan in place (see Attachment IT.25.-2, "Y2K Readiness Report"). Since December of 1999 all departments have had a contingency plan in place.

To further assist departments and standardize the fundamentals of the plans, the County purchased a nationally recognized Disaster Recovery template (from Janco Associates). This template reflects a national "best practices" approach. Regardless of the specific

strategy that each department chooses to follow, the County requires a formal DR plan to be in place.

The first department to have a new, approved plan was MCDOT (See Attachment IT.25.-3). Their approach to DR incorporates both sophisticated hardware and software that provides for real-time, off-site backups on a 7 X 24 basis. The plan is divided into three phases, each with the transfer of information into a specific cluster of servers followed by the creation of a “Hot Standby” system off site. Phase I, to be completed in August 2001, will focus on all independent divisional file servers of clients. Phase II will include network applications and Phase III will embrace SQL databases.

Another agency that has completed their new plan is the Recorder/Elections Department (See Attachment IT.25.-4).

The attached policy and plans are representative of the strategy that Maricopa County is currently pursuing.

26. Please describe any unusual obstacles or challenges your county faces in information technology.

There are basically three levels of challenges that County IT faces:

1. Those that are related to government in general.
2. Those that are related to county government in general.
3. Those that are unique in some degree to Maricopa County.

Each of these, which represent varying degrees of being “unusual”, is explained below.

Government in General

- Procurement – The general procurement process of government is significantly slower and more restrictive than other sectors. In certain situations, government procurement intends to enact social policy (e.g. purchasing from minority own businesses). In other cases, lobbyists will attempt to influence or protest procurements at the political level.

- Wages – Based upon external industry data, the technology staff within Maricopa County is behind market mid-point as a whole. Funding is based on attrition and demonstrated need. Therefore if turnover is low, funding may not occur or may occur at slower than market rates. This presents an ongoing challenge in terms of recruitment and retention.
- Planning Cycle – The budget planning lead-time of government is very long (up to 22 months in advance) and is generally restrictive. This creates frequent tension with the every increasing pace of technological change, and with the often unpredictable plans of major IT vendors.
- Transition to e-Government – The general transformation to information age government requires substantial investment in modern business methods and technology. This presents significant political challenges when horizontal processes and integrated systems break down the traditional walls of heretofore “independent” agencies.
- Concurrent Public Access and Security - Maricopa County, like other government entities, must provide wide-spread constituent access to public record data while simultaneously preserving the integrity and reliability of the same data through rigorous security and authentication methods.

County Government in General

- County Governance Model – It has been humorously stated the role of the CIO is to “manage that which everyone considers their privilege.” The challenge of IT governance at the County level is particularly complex due to the involvement of many participants with varying degrees of independence, among which are:

Autonomous elected officials including the: Assessor, Clerk of the Court, County Attorney, Recorder, Superintendent of Schools, Sheriff, and Treasurer.

Independent districts including: Flood Control, Stadium, and Library.

An independent Superior Court of Arizona, a separate branch of government.

Maricopa County

- Arizona Supreme Court - The very large Superior Court organization of the County must maintain a dual alliance to both the County and State Supreme Court, each with their own perspectives and priorities. This brings added complexity to IT planning at the technology, political, and funding levels.
- Digital Signature Authority - Now that it has been approved by the Arizona State Legislature, Maricopa County must wait for the State to establish a certificate authority as part of a public key infrastructure (PKI).

- Spending Limit - Beyond the normal revenue limitations of government; the County must adhere to a state of Arizona constitutionally-imposed expenditure cap, which in turn could limit technology investment.
- MFR Program – The new County MFR Program has required significant investment at three distinct levels: 1) converting existing systems to support the MFR methodology; 2) implementing new management systems for MFR (e.g. MFR Data Warehouse, JAMIS Time Reporting, etc.); and 3) implementing a consistent MFR program within the technology organizations of the County in terms of strategic plans, programs, activities, services and measures.
- Bi-Lingual Support – A rapidly growing Hispanic population must be considered within publicly accessed information systems.

27. What unique or innovative approaches to information management has your county developed in the past two years? (For example, can you give examples of how information technology has supported key decisions or improved service delivery?)

Please see Comments.

Thank you for your valuable assistance in providing this information.

Please provide the names, contact telephone numbers, and email addresses for those who completed this section of the survey:

Name: Danica Bunjevic Job Title: IT Consultant

Phone: 602.506.8044 Email: dabunjev@mail.maricopa.gov

Name: Linden Thatcher Job Title: CIO

Phone: 602.506.7909 Email: lin@mail.maricopa.gov

Name: _____ Job Title: _____

Phone: _____ Email: _____

As you know, Governing Magazine will follow up with interviews on the topics covered in this survey. To make sure that the proper people are interviewed, please provide suggestions and contact numbers below.

Who would you recommend that we contact for interviews about information technology management?

Name: John Barrett Job Title: CTO Superior Court

Phone: 602.506.1513 E-mail: jbarrett@superiorcourt.maricopa.gov

for IT departmental activities and ICJIS Integration discussion

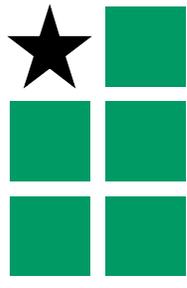
Name: Ken Medlin Job Title: IT Director, MCDOT

for Enterprise Initiatives and GIS discussion

Phone: 602.506.4660 Email: medlin@mail.maricopa.gov

Name: David Sobieski Job Title: Director, STAR
Center

Phone: 602.506.7008 Email: David.Sobieski@mail.maricopa.gov
for Electronic Community and STAR Center discussion



**GOVERNMENT
PERFORMANCE
PROJECT**

**COUNTY GOVERNMENT SURVEY
CAPITAL MANAGEMENT SECTION**

April 2001

PLEASE REFER QUESTIONS TO:

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CAPITAL MANAGEMENT

This section is designed to measure the extent to which your county engages in meaningful, long-range capital planning. This includes: consideration of the impact of capital projects on future operating and maintenance expenses; assessment of asset condition and replacement/overhaul forecasting; development of accurate information such as: future needs, cost analysis; prioritization and tracking of progress of capital projects.

BACKGROUND TO THE GOVERNMENT PERFORMANCE PROJECT

Since 1996, under the auspices of The Pew Charitable Trusts, the Maxwell School of Citizenship & Public Affairs at Syracuse University, in partnership with *Governing* magazine, has rated the management performance of local and state governments and selected federal agencies in the United States. The project, called the Government Performance Project (GPP), is administered by the Maxwell School's Alan K. Campbell Public Affairs Institute.

The project aims to improve the understanding and practice of government management throughout the United States on the city, county, state, and federal levels. It evaluates the effectiveness of management systems by considering government performance in five categories: financial management, human resource management, information technology, capital management, and managing for results. Each category is addressed by a separate section in this survey. For each category, governments are evaluated based on this survey, interviews, and an analysis of published documents.

While the project highlights overall management capacity, it focuses on the role of leadership, the integration of the five categories, as well as the communication of government performance issues to the citizenry.

In 1998 the project studied and rated government performance of the 50 states and 15 federal agencies. The results were published in the February 1999 issues of *Governing* and *Government Executive*. The results were also widely reported by leading print, radio, and television media.

In 1999 the project evaluated government performance in the top 35 U.S. cities by revenue and of five federal agencies. These results were published in the February 2000 issue of *Governing* and the March 2000 issue of *Government Executive*.

In 2000 the GPP reevaluated the 50 states and the results were published in the February 2001 issue of *Governing*. This year the GPP will evaluate 40 county governments.

The Maxwell School will add the data collected to its clearinghouse of information and continue to expand this resource of government management practices. Ultimately, government entities will have the opportunity to learn from one another and exchange valuable information through the efforts of this project.

GPP CONTACT PERSON

For more information on the GPP, please visit our website at: www.maxwell.syr.edu/gpp. If you have any questions regarding this survey or the GPP in general, please direct your inquiries to Anthony Stacy, at gpp@maxwell.syr.edu or 315-443-9707.

CAPITAL MANAGEMENT EVALUATION CRITERIA:

1. Government conducts thorough analysis of future needs.
 - Government has a formal capital plan that coordinates and prioritizes capital activities.
 - A multi-year linkage between operating and capital budgeting exists.
 - A multi-year linkage between strategic planning and capital budgeting exists.
 - Government has sufficient data to support analysis.
2. Government monitors and evaluates projects throughout their implementation.
3. Government conducts appropriate maintenance of capital assets.
 - Government has accurate data on current asset stocks and values.
 - Government appropriately insures assets.
 - Government has sufficient data to plan maintenance adequately.
 - Maintenance is appropriately funded.
 - Government conducts sufficient preventive maintenance to avert major and/or emergency repairs.

DEFINITIONS OF TERMS USED IN THIS SURVEY:

Asset categories: Components of capital assets (for example, roads might be one category, while buildings might be another).

Capital assets: Roads, streets, buildings, or other fixtures owned by the county that have a long life.

Department: Any administrative subdivision or unit of government (also in some cases called a board, bureau, commission, department, etc.) having the primary purpose of executing some governmental functions or laws.

Maintenance: Keeping capital assets in a workable condition.

INSTRUCTIONS FOR COMPLETING THE SURVEY ELECTRONICALLY:

This document is a Microsoft Word form. A form is a structured document with spaces reserved for entering information. This survey, containing check-boxes and fill-ins, can be viewed and completed in Word.

- *To check a box:* Use your mouse to move the arrow over the box you want to check and click once. To uncheck the box, click again.
- *To enter text in a fill-in box:* Move your mouse over the gray box. The arrow will change to a cursor. Click once to highlight the box. Begin typing. All fill-ins have unlimited capacity.

To enable electronic completion, the file has been password protected. Text can only be written in fill-in boxes. To provide comments on a question, include a separate page of comments with reference to the question number.

If you encounter difficulties completing the survey electronically, you may contact the project manager at (315) 443-9707 for troubleshooting assistance. The document can also be printed and filled in manually.

PLEASE SUBMIT THE FOLLOWING DOCUMENTS AND INFORMATION WITH THE SURVEY: (Note: *If these materials are available online, you may simply identify the URL at which they may be found.*)

- Copies of policies that govern the project planning and management processes
- Copies of countywide short- and long-term capital plans.
In addition, please include the General Services and Capital Improvement Plans for the following:
 - Architecture and Engineering Services
 - Real Estate Services
 - Fleet and Facilities Management
 - Purchasing and Contracting
 - Housing and Community Development
 - Transportation and/or transit development
 - Department of Education and/or county schools
- Any studies or evaluations (such as performance audits) that address how the county is discharging its capital management function
- Reports for roads, streets, and buildings describing the inventory of capital assets and their condition (for example, reports produced from the Pavement Management System on road condition)
- Copies of reports produced by the project management system, such as progress tracking reports for capital projects
- Cost/benefit studies used for evaluating capital projects
- Published estimates of the operating cost impacts of capital projects (including maintenance and utility costs)
- Audits of the capital planning and management system
- Audits of construction management practices
- Documentation that demonstrates compliance with GASB 34 requirements
- Several examples of capital project requests made by departments as part of the capital budgeting process
- From the county transportation department, recent transportation needs reports

PLEASE ANSWER THE FOLLOWING QUESTIONS ABOUT CAPITAL MANAGEMENT:

(Note: Please exclude information technology from your answers. Information technology is addressed in a separate section of this survey. Also, if roads and transportation are handled separately from the management of other capital in your county, please provide information about both roads/transportation and all other areas. If you wish, you may submit two copies of this survey: one for roads and one for all else.)

1. Please answer the following questions about the capital planning process in your county:
- a. Is there a central county office that coordinates capital planning? No Yes

If so, please identify this organization and describe its role.

Overall coordination of capital planning takes place in the Office of Management and Budget (OMB), with policy direction and final budgetary approval coming from the five-member Board of Supervisors (BOS). However, all internal and external stakeholders are involved in the capital planning process. For example, the Finance Department may prepare a cost/benefit analysis for a potential acquisition, or the OMB may commission a study as to the cost of staffing a new facility.

In addition to its policy and budgetary responsibilities, the BOS is also involved by appointing members to citizen planning and advisory boards that prioritize and then monitor the construction of detention, transportation and flood control projects.

Initially, capital planning takes place in four County departments: the Facilities Management Department (FMD) is responsible for general purpose government needs; the Criminal Justice Facilities Development Department (CJFDD) is responsible for the design and construction of detention and criminal justice facilities; the Maricopa County Department of Transportation is responsible for roadways and bridges; and the Flood Control District is responsible for dams and other flood control structures.

General government and criminal justice projects must be reviewed by the County's Facilities Review Committee (FRC) before consideration for inclusion into the County's five-year Capital Improvement Plan. FRC consists of (1) FMD Director (Chair), (2) OMB Director, (3) CJFDD Director, (4) Chief Financial Officer, (5) Elections Department Director, (6) Deputy County Administrative Officer, and (7) Superior Court Administrator. This make-up ensures representation from appointed departments, elected offices, and court administration. The committee operates under the authority of Administrative Policy Number A1920 "Facilities Capital Improvement Program" and reviews all capital projects estimated to cost \$150,000 or more regardless of the availability or source of funds. The FRC also ensures that all projects are in line with the County's Strategic Plan. The policy was approved by the Board of Supervisors in September, 1999. (Please see the Administrative Policy Number A1920, CM-1.a.-1.)

Upon departmental completion and FRC review, all departments' capital plans are submitted to the OMB for consolidation into a comprehensive five-year capital improvement plan for the entire County. Lastly, the BOS has the final decision

authority on which projects receive funding in any given fiscal year, through the adoption of the budget.

Please review the following attachment:

CM-1.a.-1 Administrative Policy Number A1920 "Facilities Capital Improvement Program" for further clarification.

- b. Does your county produce a Capital Improvement Plan (CIP)? No Yes

If so, what time period does the CIP cover?

The County Capital Improvement Plan is a five-year plan that provides a detailed description of each major project, project expenditures by year, funding sources and responsible departments. The plan also shows the budgeted and actual expenditures from the previous year and variances between original cost estimates and current cost estimates.

Please review the following attachment:

CM-1.b.-1 County Capital Improvement Plan as included in the Annual Business Strategies for further clarification.

- c. How often are countywide capital plans updated? Every one years
- d. How often are department capital plans updated? Every one years
- e. Please describe the role of county departments in the capital planning process.

All County departments actively participate in the capital planning process. In May 1999, under the leadership of the County Administrative Officer and with the assistance of Arizona State University, the Maricopa County Leadership Team conducted an offsite conference that began the process of formalizing a long-term capital plan for general County government. The planning horizon was the next twenty years.

This plan began with the identification of strategic business goals and evolved into the development of a series of Master Plans for the County's various operating campuses including Downtown Phoenix, Durango Business Center, Southeast Regional Center, and the Maricopa Medical Center. A document entitled, "Vision 2020, Maricopa County, Arizona, Management Team Facility Planning Retreat" documented this planning process. Each Master Plan committee consisted of senior leaders from departments located at that particular campus and was chaired by a department director or equivalent. The committees were aided, as needed, by contract architects and planners. The Master Plan formalizes future facility needs of County government at each major business location and is used as a basis for

determining which projects are recommended for inclusion in the five-year capital improvement plan. (Please see the Vision 2020 attachment, CM-1.e.-1.)

Please review the following attachment:

CM-1.e.-1 Vision 2020, Maricopa County, Arizona, Management Team Facility Planning Retreat.

2. Please answer the following questions about how projects are selected to be included in the capital plan:

a. Are formal criteria used to rank all projects?

No Yes *(If so, please attach a list of these criteria.)*

b. Are projects evaluated and prioritized by a formal committee?

No Yes

If so, please describe the composition of this committee. If not, please explain who decides what projects are included in the capital plan.

As discussed in our response to question 1.a, the Facilities Review Committee (FRC) must review all general government and criminal justice projects. Each departmental request must be accompanied by a thorough justification and must be consistent with the facilities' master plan. The FRC makes recommendations to the Office of Management and Budget (OMB) as to what projects should be included in the County's five-year Capital Improvement Plan (CIP). This committee also reviews the progress of approved projects for timeliness and adherence to budgets. All requests for CIP budget adjustments are also reviewed by this committee before consideration by the OMB and the Board of Supervisors (BOS). (Please see the attached FRC documentation, CM-2.b.-1.)

For criminal justice projects, the County utilizes the Criminal Justice System (CJS) Master Plan, which is based on an exhaustive study conducted by citizens of Maricopa County in late 1997. That study analyzed growth trends and provided a system assessment for both the adult and juvenile criminal justice systems in Maricopa County for a 15-year period ending in 2012. (Please see the CJS Master Plan, CM-2.b.-2.)

The County developed its Jail Expansion Program (JEP), facility designs and initial project priorities based on the CJS Master Plan in coordination with the major user departments. Any changes to the priorities are based on an analysis of nine key factors and must be approved by the Citizens' Jail Oversight Committee, which was appointed by the BOS. (Please see the attached Jail Expansion Program, CM-2.b.-3.)

The JEP is laid out in annual increments through 2003 and reviewed annually by the Facilities Review Committee (FRC) to ensure that it is compatible with the County's CIP. It is also reviewed by the BOS and by the Citizens' Jail Oversight Committee. (Please see attached documentation for information on the Citizens' Jail Oversight Committee, CM-2.b.-4.)

There are two internal committees that play a role in evaluating and prioritizing transportation projects, and one formally appointed citizens' board that assists in the project development and selection process. The Transportation Improvement Program Review Committee (TIPRC) consists of staff representatives from all the Maricopa County Department of Transportation (MCDOT) divisions as well as representatives from County Parks and Recreation, County Planning and Zoning, and the Flood Control District (FCD). The committee prioritizes projects and makes recommendations to the Project Review Committee (PRC). (For additional information on the TIPRC, please see CM-2.b.-5.)

The PRC consists of the MCDOT division managers and meets monthly to review recommendations from the TIPRC. The PRC's recommendations are forwarded to the Maricopa County Transportation Advisory Board (TAB) for review and approval before projects can be advanced to the BOS. (Please see the attached documentation for more information on the PRC, CM-2.b.-6.)

The TAB was created by the BOS and consists of five citizen members appointed by the BOS. The TAB receives reports from the MCDOT staff, solicits citizen input and makes formal recommendations for capital improvements to the BOS. (For additional information on the TAB, please refer to CM-2.b.-7. For information on this process, please refer to the attached Capital Project Development Manual, CM-2.b.-8 and the .pdf file of this report on the accompanying CD.)

The FCD utilizes a Project Evaluation Committee which is comprised of the CIP/Policy Branch Manager and the division managers of the District's Engineering, Lands and Right-of-Way, Regulatory, and Operations & Maintenance divisions. All of these individuals have extensive flood control experience and knowledge of regional flooding issues. (For specific information, please review the CIP Prioritization Procedure Summary for FY01-02, CM-2.b.-9.)

Please review the following attachments:

- CM-2.b.-1 Facilities Review Committee documentation
- CM-2.b.-2 Criminal Justice System Master Plan, Volumes I through V, dated 11/12/97
- CM-2.b.-3 Jail Expansion Program (JEP)
- CM-2.b.-4 Citizens' Jail Oversight Committee (CJOC)
- CM-2.b.-5 MCDOT - Transportation Improvement Program Review Committee (TIPRC)
- CM-2.b.-6 MCDOT - Project Review Committee (PRC)
- CM-2.b.-7 Maricopa County Transportation Advisory Board (TAB)

CM-2.b.-8 Capital Project Development Manual

CM-2.b.-9 CIP Prioritization Procedure Summary for FY01-02

c. Are any of the following a part of the capital planning and project selection process?
(Please check all that apply.)

- Public hearings (Please specify how many per year: see below)
- Capital planning committees with citizen members
- Formal submission of capital requests by community groups or individual citizens

Please describe the role of citizens in capital planning.

The County has utilized several different forums for sharing information and soliciting citizen input regarding our general government projects. These forums include:

Master Plan Open House events have been conducted in downtown Phoenix for the benefit of all citizens and affected business owners that surround the County downtown campus. These Open House events are hosted by the County Supervisor whose district encompasses the downtown Phoenix area.

Public meetings have been held with the appropriate Village Planning Committees including the downtown committees and the Durango committees.

The County Administrative Officer and the Phoenix City Manager established the Phoenix Downtown Advisory Committee to provide input to the County on high profile Capital Improvement Plan projects located in downtown Phoenix. This committee, whose members are active participants in both the public and private sector in downtown Phoenix, provides Maricopa County with advice in such areas as project siting, exterior design and landscaping, and how projects can best contribute to future betterment of the downtown area. (For information on the Phoenix Downtown Advisory Committee, please see CM-2.c.-1.)

The City of Phoenix and Maricopa County partnered in the development of a Streetscape Development Guide for Jackson Street, a street that runs through the County downtown Phoenix campus, upon which several large County CIP projects will be built over the next 3 years. The process used in the development of this Guide (copy furnished earlier under the category of "Capital Improvement Plan for Architecture and Engineering Services") included extensive involvement of Jackson

Street interested citizens and business owners through the use of early evening design workshops. (Please see the attached Streetscape Development Guide, CM-2.c.-2.)

With regard to detention facility projects, the Citizens' Jail Planning Committee conducted a total of 15 public meetings and 4 public hearings. These meetings and hearings were conducted in each Supervisor's District. Virtually every municipality in the County participated in the study and was represented in the respective public meetings in order to ensure municipal input. In addition, several community workshops were held to solicit input and citizen involvement. (For information on the Citizens' Jail Planning Committee, please see the attached documentation, CM-2.c.-3.)

The County continued an open dialogue with the City Citizen Planning Boards and a Downtown Advisory Committee during the programming and facility design phase. The Downtown Advisory Committee was an important contributor because membership included the Phoenix Community Alliance and Downtown Phoenix Partnership representing the business community; the Phoenix Central City and Estrella Village Planning Committees representing neighborhoods; the Phoenix Historic Preservation Commission; the Central City Design and Architectural Review Panel; the American Institute of Architects; the Citizens' Jail Oversight Committee; the Phoenix Arts Commission; the Maricopa County Planning Commission and the City of Phoenix. The Downtown Advisory Committee used specially prepared project Review Guidelines to ensure consistency in its work. (Please see the attached Transportation Improvement Program, CM-2.c.-4, and the Transportation Management System Report, CM-2.c.-5.)

During design of the Forensic Science Center, two additional entities were involved: The Legislative Governmental Mall Commission, which has approval authority on such projects located in the Capitol Mall Zoning Overlay District, and the Capitol Mall Association which represents the neighborhoods in the Capitol Mall District. In addition, the Criminal Justice Facilities Development Department conducted public meetings with various neighborhood and activist groups to obtain their input and comments and collaborated with the City of Phoenix to conduct additional public workshops and meetings. Results of these collaborations were used in the design development of the facilities, project schedules and ultimately, in the capital plan.

The Citizens' Jail Oversight Committee now represents the principle channel to the public whether they are organizations, community groups or individuals. In each of its public meetings, the Committee not only receives formal reports from County departments on the Jail Expansion Program, but also public input. The Committee provides guidance to the departments executing the program and makes recommendations and periodic reports (at least two per year) to the Board of Supervisors.

For transportation projects in FY99-00, 52 meetings were held throughout the County involving 6,990 citizens. At each meeting, all citizen comments were documented, questionnaires were distributed, and the immediate staff involved in the project were present to talk to the public and listen to their comments. All citizen questions are responded to in writing, and comments were considered and included in the final reports for each project.

In addition to public meetings, MCDOT has a web page that includes the entire Transportation Improvement Program (TIP). The TIP is available for viewing or downloading at the following site www.mcdot.maricopa.gov/PlanTIP/plantip.htm. Also included is the entire Transportation Management System Report that includes current and historic performance data for each of the transportation systems such as roadway congestion, safety, roadway condition and bridges, which can be viewed at www.mcdot.maricopa.gov/PlanRptStud/pgmsys/tms.htm. The public may also contact MCDOT via e-mail through the Maricopa County Web page. Since September, 2000, MCDOT has received and responded to 246 initial e-mail inquiries and 23 follow-up questions. (<http://www.mcdot.maricopa.gov>)

In addition to the on-site public meetings, the MCDOT Transportation Advisory Board (5 citizen members) typically holds 9 to 10 public hearings each year to discuss the capital programming process, the annual update to the CIP, and interim changes to the program due to significant project cost increases, project scope changes, schedule changes, or other items related to the program. (For further information, please refer to the attached Capital Project Development Manual, previously referenced as CM-2.b.-8, and the Public Meeting Report, CM-2.c.-6 and the .pdf files on the accompanying CD.)

The majority of formal capital requests for the Flood Control District's CIP come from local municipalities and agencies. Each project has a series of public meetings at key milestones. These meetings are designed to both solicit public input and provide the public with information about the study or project.

The Board of Directors of the Flood Control District has appointed a citizen's Flood Control Advisory Board (FCAB) which consists of seven members. By statute, (§ ARS 48-3611), such a board must consist of at least five citizen members. The FCAB recommends (to the Board of Directors) their approval or disapproval of the recommendations made by the Project Evaluation Committee. (Please see the attached Flood Control Advisory Board documentation, CM-2.c.-7, and the § ARS 48-3611, CM-2.c.-8.)

Please review the following attachments:

CM-2.c.-1 Phoenix Downtown Advisory Committee

CM-2.c.-2 Streetscape Development Guide

CM-2.c.-3 Citizens' Jail Planning Committee

- CM-2.c.-4 Transportation Improvement Program (TIP)
- CM-2.c.-5 Transportation Management System Report
- CM-2.c.-6 MCDOT Public Meeting Report
- CM-2.c.-7 Flood Control Advisory Board (FCAB)
- CM-2.c.-8 § ARS 48-3611

d. Is the county's legislative body involved in the project selection process?

No Yes

If so, please describe its role.

The five-member County Board of Supervisors (BOS) has the final decision authority on which projects receive funding in any given fiscal year. This is accomplished through the approval of the annual budget. The BOS also appoints members of the public to advisory boards that participate actively in the project selection process.

The BOS receives monthly updates and periodic presentations on the status of the programs, approves each contract and agreement within the program, and approves the annual operational and capital budgets (including any adjustments).

The BOS may recommend potential projects that arise via requests from either citizen or various other jurisdictions within the County. The Facilities Review Committee objectively evaluates each of these requests against all other existing and potential projects, with the results of the evaluation reported back to the BOS.

The BOS was actively involved in the development of the Maricopa County Department of Transportation Comprehensive Plan and the more specific Transportation System Plan (TSP). The TSP adopted specific policies in developing the hierarchy of routes and establishing priorities for funding. (For additional information, please refer to the attached MCDOT Comprehensive Plan, CM-2.d.-1, and the Transportation System Plan, CM-2.d.-2 and the .pdf files on CD.)

Please review the following attachments:

CM-2.d.-1 MCDOT Comprehensive Plan

3. Please answer the following questions about your county's Capital Improvement Plan:

a. Is the CIP coordinated with comprehensive county and/or department strategic plans?

No Yes

If so, please describe how the plans are coordinated.

All departments (with the exception of capital improvement projects developed by the Flood Control District (FCD) and the Department of Transportation (MCDOT)) utilize the Facilities Review Committee (FRC). During the submission of a project by any requesting department to the FRC for consideration, the department must update the committee on its Strategic Plan. This plan must address in detail how the department accomplishes its mission, where its facilities are located in the County, and how its current and future facilities contribute to that mission. This process facilitates the integration of departmental and County missions and strategic plans into the capital decision-making process. This linkage provides a clear understanding of the project's value and furnishes the means for the committee to evaluate and prioritize projects based on importance and strategic significance.

In addition to utilizing the FRC, the Criminal Justice Facilities Development Department (CJFDD) abides by the Criminal Justice System Master Plan initiated in 1997. The master plan was embraced and fully supported by the Board of Supervisors (BOS) and is the foundation of the Jail Expansion Program (JEP). In fact, JEP now represents one of the BOS Chairman's key goals for the current year. The BOS ensures that this program remains strictly aligned with its strategic priorities through the Citizens' Jail Oversight Committee, the FRC and the annual capital and operational budget process.

Because of their unique nature, the FCD and MCDOT currently employ separate planning procedures. These include intergovernmental agency collaboration and prioritization based on an established list of ranking criteria for designated types of projects.

Transportation projects identified for inclusion in the Transportation Improvement Plan must be consistent with the objectives outlined in the Comprehensive Plan as well as the Transportation System Plan. These two plans strategically provide long-range goals as well as anticipated needs of the regional transportation system. Relationships between transportation and other regional issues such as land use, environmental and economic considerations are also identified and discussed. By

outlining long-term objectives and needs, these plans allow for prioritizing the expenditures of County resources. These plans continue to be a collaborative effort among various divisions within MCDOT and numerous other County departments (i.e. Planning and Development, Parks and Recreation, and the FCD). Since the County CIP covers a five-year period of time, MCDOT takes the opportunity to integrate those projects that address strategic goals within the existing five-year plan. (For further information, please review the Maricopa County FY00-01 Annual Business Strategies document, pages 131-143, CM-3.a.-1.)

The FCD coordinates strategic planning with the CIP during the District's annual management retreat. During this retreat, strategic issues are identified and strategic plans and goals are developed. Once again, the CIP covers a five-year period of time, and the District takes the opportunity to integrate those projects that address strategic goals within the existing five-year plan.

Please review the following attachment:

CM-3.a.-1 County Annual Business Strategies

- b. Are all types of assets included in your county's CIP? No Yes

If not, what major types of assets are excluded?

All capital improvements are accounted for in the County CIP. However, all types of assets are actually included in the main CIP and a sub-system. Maricopa County defines capital improvements in its Policies and Procedures, Policy Number B5011, "Capital Budgeting" issued January 1999. This policy states that a capital project is "a project resulting in the construction, renovation, or acquisition of infrastructure or real property costing more than \$150,000 with an expected useful life of many years." Examples include roads, bridges, buildings, and right-of-ways. (Please see the attached Capital Budgeting Policy, CM-3.b.-1.)

In addition, capital fixed assets are tracked by the Finance Fixed Asset Sub-System. A fixed asset is defined in the Maricopa County Fixed Asset Property Manual as "an item that costs \$5,000 or more and has a useful life of at least one year." Examples of these asset types are land, buildings, improvements (other than buildings), equipment and vehicles. (Please see the attached Fixed Asset Property Manual, CM-3.b.-2.)

Please review the following attachments:

CM-3.b.-1 Budget Policy Number B5011 "Capital Budgeting"

CM-3.b.-2 Maricopa County Fixed Asset Property Manual

- c. What information is included in the CIP? *(Please check all that apply.)*
- Summary tables of capital projects by department, program and fund
 - Summary tables describing the financing plan for the proposed capital projects
 - Projections of debt ratios for the proposed financing plan
 - Detailed descriptions of projects
 - Detailed justifications for projects included in the plan
 - Glossary of terms
 - Description of the capital planning process
 - Information on actual capital spending by department
 - Estimates of the impacts of capital projects on operating costs
 - Other *(Please specify: Individual maps and one large foldout map of all projects, current project schedules and their history (deferred, accelerated, deleted etc.), photographs of complete projects, and a table showing maintenance expenditures.)*

4. Please answer the following questions about cost estimation:

- a. Does your county make formal estimates of the operating and maintenance cost impacts of capital projects?
- No Yes *(If so, please attach documents that show budget estimates.)*
- b. Who makes these estimates?

The estimates for the operations, maintenance, and utilities of County buildings are usually made by the Facilities Management Department's Operations and Maintenance Division.

With regard to criminal justice projects, the initial Master Plan estimate of capital and operating costs was developed by the Citizens' Jail Planning Committee and incorporated in the Master Plan in November 1997. These estimates were the basis of discussions with the state legislature to determine the level and type of funding that could be included in the 1998 voter initiative. (Please see the attached 1998 Voter Initiative, CM-4.b.-1.)

For transportation projects, the Maricopa County Department of Transportation Operations and Construction Division makes estimates for future roadway maintenance. The estimates are based on the past year's roadway operations and

the roadway condition assessments. The County's Roadway Management System monitors the condition and sufficiency ratings for all County roads on an annual basis. These condition assessments are the indicators of how well County roads are maintained. (Please see the attached Roadway Management System documentation, CM-4.b.-2.)

The Flood Control District no longer assumes full operating and maintenance costs for its projects. Intergovernmental agreements between the District and other governmental agencies generally require the outside agencies to assume either partial or full responsibility for operating and maintaining the structures. If the intergovernmental agreement states that the District will share in the operations and maintenance of the structure, the project manager meets with the District's Operations and Maintenance Division and provides them with the description of the project, the estimated date of completion, and technical details. The Operations and Maintenance Division then extracts from its database the historical costs for performing the same type of maintenance on similar structures. This information is adjusted for the new structure and is added to the Operation and Maintenance Division's budget request.

Please review the following attachments:

CM-4.b.-1 1998 Voter Initiative

CM-4.b.-2 County's Roadway Management System

c. Where are these estimates published?

Initially, these operating and maintenance estimates are furnished to the Office of Management and Budget (OMB) and the Chief Financial Officer for review. When the Facilities Review Committee evaluates a project, the estimates are, scrutinized again. These estimates are then published as part of the particular department's annual operating budget or as part of a project's authorizing agenda item along with the record of County Board of Supervisors (BOS) approval.

For criminal justice projects, cost estimates were based on the Master Plan but were refined as a result of developing the Jail Expansion Program (JEP). This report was also presented to the Board of Supervisors (BOS) and was published widely within the County. The JEP estimate became the base budget for incorporating these operational and capital costs into the annual budget, and cannot be changed without BOS approval.

All estimates for future roadway maintenance are published in the Maricopa County Department of Transportation annual operating budget and are approved by the BOS.

5. Please answer the following questions about your county's project tracking process:

- a. What county offices or departments are involved in the capital project tracking process?

The Office of Management and Budget and the Finance Department track overall capital spending. Both departments review budget variances on a monthly basis to ensure that expenditures are at appropriate levels. In addition, County departments are also responsible for tracking their own projects. The Facilities Management Department and the Facilities Review Committee (FRC) track the progress of individual general government projects. Significant changes to any program must be approved by the FRC and then the Board of Supervisors (BOS).

In addition, the Criminal Justice Facilities Development Department is responsible for executing and tracking the individual criminal justice projects. However, in the broadest sense, each of the 54 stakeholders that receive the monthly status report can track the Jail Expansion Program (JEP). Because of the size, complexity and visibility of the JEP, the Citizens' Jail Oversight Committee, the BOS, and the FRC perform oversight tracking.

Many County departments utilize specific project tracking procedures in addition to those outlined above. For instance, all divisions within the Maricopa County Department of Transportation are involved in the capital project tracking process. From the point at which a project enters the Transportation Improvement Plan, a project team consisting of a Project Manager, a Right-of-Way Coordinator and representatives from Community and Government Relations Division, Environmental/Archaeological Branch, Public Information Branch, and Utilities Branch is formed. When the project comes within six months of bidding, Contracts and Operations become involved and are part of the team. Each division manager is a member of the Project Review Committee that meets monthly to track progress on projects.

- b. Which of the following best describes the process your county uses for tracking the completion of capital projects after their approval? (*Please check one.*)
- We do not have a formal capital project tracking process.
- Capital projects are formally tracked at the department level only.

- Capital projects are formally tracked at the department level, with an informal process at the central level.
- Capital projects are formally tracked at both the department and the central level.
- Capital projects are formally tracked almost entirely at the central level.

6. Please answer the following questions about reporting on capital projects:

a. How often are detailed project management reports produced? (*Please check one.*)

- Never
- Monthly
- Quarterly
- Semi-annually
- Annually
- Other (*Please specify:* _____)

Please attach examples of project management reports to this survey.

b. Which types of information are reported about ongoing capital projects?

- Originally scheduled date of completion
- Estimates of project delays
- Project budget overruns
- Revised estimates of costs
- Significant changes to the project (change orders) or scope of work
- Programmatic workload changes
- Explanations for delays and budget overruns

c. Who produces these reports?

The Facilities Management Department produces the reports for the majority of County projects; the project's manager, architect, or engineer furnishes information

for reports. Reports are then consolidated by the respective departments prior to dissemination.

The Criminal Justice Facilities Development Department (CJFDD) produces its own reports, as does the Maricopa County Department of Transportation (MCDOT) and the Flood Control District (FCD).

For transportation projects, the Senior Primavera Scheduling Engineer within the Engineering Division produces the Primavera based reports. Many customized reports are prepared for special purposes for various team members. The Project Database Specialist and the Expedition Specialist prepare other reports annually or on an as-needed basis. The Database Specialist also maintains project web pages.

At the Flood Control District, each study or project manager produces individual contract reports monthly. The Planning and Project Management Division then consolidates these reports into monthly and annual reports.

- d. To what county offices, departments, or elected officials are they provided?

The Facilities Management Department (FMD) forwards its monthly report via e-mail to: all County elected officials, County and Deputy County Administrative Officers, all County Service Officers, all affected Department Directors, the Superior Court Presiding and Associate Presiding Judges, the Superior Court Administrator, the County Public Information Officer and all members of the Facilities Review Committee. Additionally, the report is posted on the department's website at (<http://www.maricopa.gov/femd/default.htm>). The FMD CIP project reports are also furnished to the citizens and officials by FMD.

The Criminal Justice Facilities Development Departmental reports are available on the CJFDD website at <http://www.cjfdd.com/>. The CJFDD report distribution includes:

County

Each Member of the Board of Supervisors

Clerk of the Board (public copy)

County Administrative Officer

16 County Departments

City of Phoenix

City of Phoenix Municipal Court

Citizens' Jail Oversight Committee

Each Member

Project Internal

Each Architect

Civil Engineering Consultant

Environmental Consultant

Program Manager (Publisher of the Report)

Consultants (Alternative Dispute Resolution)

CJFDD Staff

Construction Testing Consultant

Engineers

In reference to transportation projects, monthly standard reports are distributed to all interested parties within the department and to the public. A complete report of the status of the Transportation Improvement Plan (TIP) is prepared annually and distributed to the Board of Supervisors (BOS), cities, other agencies, and citizens. It lists each project, a short summary of the work to be performed, the latest cost estimate, project partners, anticipated construction date, detour information and contacts for additional information. In addition, project schedules are routinely prepared for public meetings, the Board of Supervisors, other governmental agencies, and various consultants and contractors. Project summaries are posted on the Maricopa County Department of Transportation web page for each project. Specialized reports are also distributed as requested by individuals.

Within the Flood Control District (FCD), the individual contract reports produced by each study or project manager are sent to internal District staff. The reports are also presented monthly at the FCD's project status update meeting which is attended by various staff members from the Planning and Project Management, Administrative, Lands and Right-of-Way, and Engineering Divisions. The consolidated monthly and annual reports are provided to the Chief Officer of the Public Works Agency and to the Office of Management and Budget.

7. Please answer the following questions about condition assessments:

a. How often does your county conduct condition assessments, on average?

- Never
- At least quarterly
- At least semi-annually
- At least annually
- At least biannually
- At least every five years
- Less frequently than every five years

b. Who is responsible for performing condition assessments in your county?

For County buildings, the Operations and Maintenance Division of the Facilities Management Department is primarily responsible for performing annual condition assessments. Additionally, the Design and Construction Division ensures extensive coordination with the Operations & Maintenance Division and the Major Maintenance Planner regarding conditions observed during the course of executing major maintenance projects on County facilities.

The Maricopa County Department of Transportation Operations and Construction and Engineering Divisions conduct condition assessments year round. Due to the size of the roadway system, (more than 2,700 miles), and the number of bridges and structures, (242) it takes two years to complete each inspection cycle. Here are two examples of how assessments are made:

Roadways are field inspected and evaluated using a Pavement Condition Rating with a 1 to 100 point scale, the International Roughness Index which has a 1 to 500 scale and a sufficiency rating on a 1 to 100 scale. The sufficiency rating grades the roadway's physical characteristics compared to adopted local and national design standards.

Bridges are inspected and ranked using the Federal Bridge Inspection criteria. This is a 1-100 ranking that takes into consideration numerous criteria from traffic volumes to the structural integrity of the structure.

(For additional information, please refer to the attached Federal Bridge Inspection Criteria, CM-7.b.-1, the Roadway Project Rating Process, CM-7.b.-2, and the MCDOT Project Scoring Program, CM-7.b.-3, documentation.)

The condition assessments for the Flood Control District's (FCD) structures are made on either a quarterly or annual basis depending upon the type of structure. The following entities perform the assessments: the FCD Operations and Maintenance Division, the FCD Structures Assessment Branch of the Planning and Project Management Division, the Arizona Department of Water Resources, and other state or federal agencies.

Please review the following attachments:

CM-7.b.-1 Federal Bridge Inspection Criteria

CM-7.b.-2 Roadway Project Rating Process

CM-7.b.-3 MCDOT Project Scoring Program

- c. Please explain how condition assessments are used in the process of making decisions about asset maintenance.

An annual condition assessment is just one piece of information that is used by the Facilities Management Department Planning Division's Major Maintenance Planner to formulate a draft master list of future Major Maintenance projects for the five-year budget process. These assessments (along with condition observations made by staff engineers, technicians, field trades specialists and tenant department facility coordinators), form the basis for identifying all major maintenance requirements. (Please see attached various condition assessments, CM-7.c.-1.)

For transportation projects, condition assessments are initiated for each roadway segment, bridge, and structure on an annual basis. Due to the size of each grouping (roadway segment, bridge, and structure), the inspection process is completed in a two year cycle. For roadways, a pavement condition rating is used along with the International Roughness Index. Upon inspection, each roadway is given a sufficiency rating which measures its physical characteristics. Soon after an asset is evaluated, its resulting score is entered into either the computerized Roadway Information System database or the Bridge Inventory database. The databases are then queried to identify substandard roadways or bridges with respect to both their physical conditions and functional capabilities. The resulting values are further evaluated based on specific target values previously established by MCDOT for roadways and the federal government for bridges and structures.

Bridges are evaluated using the Federal Sufficiency Rating process. The results of the annual inspection are also reported, evaluated and ranked in the Transportation Management System Report. (Please see the Capital Project Development Manual,

previously referenced as CM-2.b.-8, for additional information concerning how the Candidate Assessment Report, CM-7.c.-2, and Design Concept Report, CM-7.c.-3, studies function in the final selection process for selecting transportation improvements.)

The Operations and Maintenance Division of the Flood Control District maintains files and licenses (if applicable) on each and every structure. (Please see attachment: Examples of Structure Licensing and Inspection Reports, CM-7.c.-4.) Each structure goes through an annual inspection and evaluation. Depending upon the severity of the problems, the structure would be scheduled for either repair or maintenance, or possibly for further assessment.

Please review the following attachments:

- CM-7.c.-1 Condition Assessments
- CM-7.c.-2 Candidate Assessment Report
- CM-7.c.-3 Design Concept Report
- CM-7.c.-4 Structure Licensing and Inspection Reports

8. Please answer the following questions about capital needs assessment in the table below:

	Streets and roads	General government buildings (such as office buildings)	Other county government facilities (such as parks, jails, utility infrastructure, etc.)
a. For which of these does your county maintain a complete inventory of its assets?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
b. For which of these is information about the age of	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

the asset included in the inventory?			
c. For which of these is a condition rating of the asset included in the inventory?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
d. For which of these are the dates of the last major renovations of the asset included in the inventory?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
e. For which of these are any building or other code violations included in the inventory?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
f. For which do inventories include information about historical landmark or other special designations?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
g. For which do inventories include information about energy efficiency?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
h. For which of these are the estimated costs to bring the asset to good condition included in the inventory?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i. How frequently is each of these inventories updated?	Every <u>one</u> years	Every <u>one</u> years	Every <u>one</u> years
j. Who is responsible for maintaining each of these inventories?			

Streets and roads: Maricopa County Department of Transportation

General government buildings: Facilities Management Department - Operations Division & Maricopa Integrated Health Systems Facilities

Other county government facilities: Maricopa Integrated Health Services (County Medical Center), Parks and Recreation Department (Parks), Flood Control District (Flood Structures)

9. Please answer the following questions about maintenance:

- a. Please describe the policies that guide how maintenance is funded.

Department maintenance budgeting is based on the output of maintenance services. The Maximo software system tracks each maintenance activity by cost, service type, employee, and building number, permitting a determination of actual annualized costs for maintenance operations. This system permits FMD to utilize the Maintenance Costs Per Gross Square Foot Spreadsheet when funding maintenance. This document itemizes maintenance costs associated with the operation of three different types of facilities that represent the majority of the type of facilities owned by the County: detention facilities, general office facilities, and parking structures.

Its format is used for budgeting purposes for all new facilities. This includes fully burdened in-house personnel costs, materials costs for in-house personnel, and service contract costs. All new position costs include first time start-up equipment, such as vehicles, clothing allowances, safety apparel, communications equipment, tools, etc. to outfit new employees.

The Criminal Justice Facilities Development Department (CJFDD), FMD, Finance Department, and Office of Management and Budget (OMB) collaborated on a study to determine the maintenance requirements and costs for the new jail facilities coming on line in the next three years. Steady-state annual operations and maintenance estimates were made using industry standards, data from like facilities in different areas and historic data from existing like facilities. Estimates included maintenance costs with and without annual utility costs. During the next budget cycle, a policy will be presented to the Board of Supervisors recommending the establishment of a designated reserve fund to finance the long-term maintenance costs of these facilities. The funding will come from the dedicated criminal justice sales tax. (Please see the attached CJFDD Study: Cost Regarding Maintenance, CM-9.a.-1.)

For transportation projects, the County Transportation System Plan (TSP) establishes the policies that guide how maintenance is funded. One of the primary management guidelines is to maintain the existing transportation system. Only after the maintenance and safety needs of the County are reasonably met are funds allocated for capital projects. (For additional information on the TSP, the MCSCORE process, CM-9.a.-2, and the Transportation Management Systems Report (previously referenced as CM-2.c.-5) that addresses pavement quality, please see the attached documentation, and the .pdf files on the accompanying CD.)

At the Flood Control District, the highest priority for the annual expenditure of funds is for operations, maintenance, and repair of existing flood control facilities as follows:

Maintenance and repairs necessary to ensure the safe operations and the structural integrity of facilities, and to assure the operation of facilities in accordance with the design/construction capabilities and local sponsorship agreements between the District and federal agencies, or intergovernmental agreements with municipalities in the County. This funding shall take precedence over other operational or capital improvement projects.

Preventative maintenance and repairs necessary to prevent or reduce damages or deterioration resulting in future repairs. This funding may be prioritized after the allocation of funds necessary to complete capital projects in progress.

Maintenance and repair of landscaping, aesthetic treatment, and maintenance access roadways in accordance with the original design/construction or to project a positive image of the District. This funding may be prioritized after the allocation of funds to initiate Comprehensive Plan projects, but before the allocation of funds

for cost-sharing in capital projects with other municipalities. (Please see the attached documentation, "General Policies Concerning the Allocation of Fiscal Resources to Accomplish the District's Functions and Responsibilities", CM-9.a.-3.)

Please review the following attachments:

CM-9.a.-1 CJFDD Study: Cost Regarding Maintenance

CM-9.a.-2 MCDOT - MCSCORE process

CM-9.a.-3 General Policies Concerning the Allocation of Fiscal Resources to Accomplish the District's Functions and Responsibilities

- b. Does your county produce formal estimates of the cost of bringing county government infrastructure (e.g. public buildings, highways, roads, streets, and bridges) up to good condition?

No Yes *(If so, please attach copies of these estimates.)*

- c. Which county departments or offices are responsible for producing these estimates?

The following are responsible for producing estimates:

Facilities Management Department for buildings,

Maricopa County Department of Transportation for roadways,

Flood Control District for flood control structures,

Parks and Recreation Department for parks, and

Maricopa Integrated Health System for the Maricopa County Medical Center.

- d. How often are these estimates produced?

The estimates are produced annually and are incorporated into the budget proposal for the upcoming fiscal year.

- e. Please describe the methodology used for making these estimates.

For County buildings, each building system is evaluated separately. The Facilities Management Department (FMD) looks at current condition, life-expectancy, and

historical information of recently experienced costs for replacement/repairs. Some estimates are performed on a square footage basis, while others are made based on measurable capacity requirements. Estimates are normally prepared by experienced professionals or technical staff personnel. Building evaluation determinations are furnished to the FMD Planning Division's Major Maintenance Master Planner for insertion/prioritization in the upcoming fiscal year's Major Maintenance budget planning cycle.

For transportation projects, the methodology used to identify transportation estimates follows these steps:

1. Estimate the cost of each transportation need;
2. Sort each type of transportation need into an operations and maintenance need, a capacity enhancement need, or a new facility need;
3. Classify the relative time frame in which the need will occur; and
4. Add the estimated costs, based on project type and time frame, to a summary matrix.

(For more specific information on the methodology used in estimating maintenance and capital needs for transportation, please refer to the attached 1999 Transportation Needs Assessment and Funding Options Study, CM-9.e.-1. Also, see the .pdf files included on the accompanying CD.)

The Operations and Maintenance Division of the Flood Control District maintains a maintenance database that contains compiled yearly maintenance costs by activity and type of structure. This information, along with annual inspection reports for the structures, is used to project the costs and types of maintenance the existing structures will require. Maintenance for new structures is predicated on the compiled yearly maintenance costs by activity for similar types of structures.

Please review the following attachment:

CM-9.e.-1 1999 Transportation Needs Assessment and Funding Options Study

- f. What are the current estimates for the funding levels needed to bring infrastructure to good condition?

The current estimate is \$125,514,490 over the next five years for County buildings, not including the Maricopa County Medical Center, Flood Control, or

Transportation Department buildings. Current Facilities Management Department's building condition assessments estimate the backlog of major maintenance to be \$70,627,490 for non-detention facilities and \$30,387,000 for detention facilities. A comprehensive listing of major maintenance projects grouped by building is found in the County's annual budget document in the section entitled, "Major Maintenance Project Summary" (see previously referenced attachment CM-3.a.-1). Additionally, RNL Design was contracted by the County to do a needs assessment and master plan of the criminal justice detention system, which is summarized in the document entitled "Maricopa County Criminal Justice System Planning, Final Report, Volume 1 - Executive Summary, November 12, 1997" (see previously referenced attachment CM-2.b.-2). In it, the maintenance costs for the existing adult and juvenile detention facilities over a five-year period were estimated to be \$24,500,000.

The Maricopa County Medical Center is quickly outgrowing the existing infrastructure. The Maricopa Integrated Health System (MIHS) is determining whether to renovate and upgrade the hospital or completely replace it. In a study performed by Quorum (the management group that runs the hospital) in 1997, it was estimated that it would cost \$32,106,500 to bring current infrastructure up to good condition. The estimate for replacement is approximately \$200 million over the next ten years. The Strategic Planning Committee is currently studying this problem and will make a recommendation to the BOS within the next several months. (Please see previously referenced attachment CM-9.b.-1.)

For transportation estimates, please refer to the 1999 Transportation Needs Assessment and Funding Options Study. It should be noted that more than 91.3 percent of the County's roadways are currently classified as very good to excellent with respect to pavement condition and that 77.2 percent are rated average to very smooth with respect to pavement roughness. (Please see the attached Transportation Needs Assessment Report, pages 14 and 40 for further details, previously referenced as CM-9.e.-1.)

The Flood Control District estimates that it will need approximately \$8 million per year for ordinary maintenance and repair of its structures. Since the Flood Control structures are coming to the end of their designed lifespans, the District estimates that it will need approximately \$100 million over the next ten years to bring about major repairs or build replacement structures.

- g. For the past two years, how does actual capital funding compare to these estimates?

The comparison is actually very favorable. The County is currently being funded at approximately \$21.8 million annually; \$16.4 million from general government, and \$5.4 million from jail tax (for use exclusively for detention facilities). (Please see the FY99-00 Comprehensive Annual Financial Report, CM-9.g.-1.)

The MCDOT Capital Improvement Program for these same years was very favorable. MCDOT programmed \$55.5 million in FY99 or 36 percent of total revenues. In FY99-00, programmed capital expenditures were a more realistic \$59.4 million or 30 percent of total revenues. However, the previous two years are not necessarily representative of the long-term trend in revenues estimated to be received by MCDOT. While MCDOT anticipates increased revenues each year due to the rapid population growth and gasoline tax revenues, the wear and tear on roadways will also grow accordingly as will the need for increased capacity on the existing roadways. There is a projected deficit in funding for both maintenance and capital projects as identified in the MCDOT Needs Assessment and Funding Options Study. (For further information, please see the MCDOT Needs Assessment and Funding Options Study, page 40, previously referenced as CM-9.e.-1, or in the .pdf file on the accompanying CD.)

For the past two years, the Flood Control District has been able to budget the \$8 million it needs for routine repair and maintenance.

Please review the following attachment:

CM-9.g.-1 FY99-00 Comprehensive Annual Financial Report

- h. Please describe your county's needs and funding plans for new infrastructure or major renovations.

Needs: As far as County buildings are concerned, Maricopa County has far outgrown its current inventory of facilities and has had to significantly increase the need to lease office space for approximately one third of its administrative departments. With the cost of leased space continuing to climb, cost/benefit studies have shown that in the long run, the County is financially better off to invest in a new Public Service Building than to continue to lease. The County is planning to build a 700,000 square foot office building scheduled for completion by the end of 2003. Additionally, another significant need is for an expansion of adult and juvenile detention facilities to alleviate the significant over-crowding of the County jails. (Please see the attached Staubach Report for further details, CM-9.h.-1.)

Maricopa County Department of Transportation conducted a Transportation Needs Assessment and Funding Options Study in November of 1999. The needs analysis performed for this study shows that about \$2.85 billion (1998 dollars) will be needed to pay for anticipated facility capital and maintenance needs on the MCDOT System through 2020. (See the attached Transportation Needs Assessment and Funding Options Study for further details on actual maintenance and capital needs, previously referenced as CM-9.e.-1.)

Many of the Flood Control structures will soon be coming to the end of their design life and need to be either rehabilitated or replaced. As the structures come up for rehabilitation, redesign, or replacement, they will be presented to the Project Evaluation Committee and prioritized for the Capital Improvement Plan.

Funding Plans: The new County Public Service Building, as well as the remainder of the five-year Capital Improvement Plan, will be financed from the sale of tax exempt Certificates of Participation. The first sale will be in June 2001, for \$130 million. Of this, \$125 million in cash has been designated and transferred to the Debt Service Fund to make the debt service payments. With regard to the criminal justice projects, a jail tax was approved by the voters of Maricopa County with a ceiling of \$900 million. A portion of the \$900 million will be reserved to fund the long-term major maintenance needs for detention facilities. The needs and funding plan are discussed in the answer to questions 9.a. The Criminal Justice Facilities Development Department was established to manage the design and construction program for new detention facilities. The Facilities Management Department is responsible for major maintenance upgrades for existing detention facilities.

Please review the following attachment:

CM-9.h.-1 Staubach Report

10. Please answer the following questions about information technology:

- a. To what extent are any of the following information technology systems used to support capital management in your county? *(Please check as appropriate.)*

	This system is not in place.	This system is in place, but does not meet our needs.	This system is in place, and partially meets our needs.	This system is in place, and fully meets our needs.
A project management database or project tracking software	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
An automated system that tracks condition and maintenance information	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
An automated inventory management system	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

A Geographic Information System (GIS)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
An integrated financial system that includes capital management functions	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

- b. If your county has an integrated financial management system that includes capital planning and/or inventory functions,

Who is the vendor? American Management Systems for the Advantage Financial System (Advantage 2.0.1) & Best FAS for the MIHS financial system.

When was the system implemented? MM/YR: 4/01 & 7/97, respectively.

- c. Please describe any other information technology systems your county has that support capital management.

The Advantage General Ledger system tracks all capital spending by department and project. The Fixed Asset Module of the system maintains a listing of all County capital assets. Use of the system in the monitoring of capital spending is the responsibility of the Office of Management and Budget, the Finance Department, and all involved departments. Because of the individual needs for advanced reporting on departmental projects, each of the departments involved in the Capital Improvement Program utilizes different types of information technology systems, which are specific to their functions. Therefore, to ensure a complete understanding of each type of technology, each department is listed separately.

The Facilities Management Department's Operations and Maintenance Division currently uses the MAXIMO Computerized Maintenance Management System to provide capital asset management and financial management control over all County-owned facilities. Utilizing MAXIMO provides the Division the capability to track, trend, and provide detailed analyses of all facilities. In addition, it provides details on the funds expended to maintain them on such items as: contract services, in-house labor, support staff, dispatching functions, commodities, tools and equipment, and other associated costs. The MAXIMO system also provides the ability to display collected data/information in a variety of formats.

The Criminal Justice Facilities Development Department and the KMD Justice Consultants (Kaplan McLaughlin Diaz/Daniel C. Smith and Associates) use a

combination of Prolog, Primavera and Microsoft Access to meet the needs of the Jail Expansion Program. These programs and their specific uses are listed below:

Prolog is a Project Management database that is used to manage and track various elements of each project including submittals, shop drawings, requests for information, potential cost changes, meeting minutes, safety observations, daily work observations and correspondence. Upon completion of each project, the electronic file can be maintained to provide a record of the project. (Please see the attached Meeting Minutes (done in Prolog), as an example, CM-10.c.-1.)

Primavera is a Critical Path Method scheduling program prepared and maintained by the contractor for each project and monitored by CJFDD. Primavera is required by contract and is a major tool in managing the entire construction process including construction activities, construction change impacts, submittal and shop drawing processes, and contractor billings. The program ties the cost of each activity to contractor billing to allow a more accurate comparison of actual progress. The Primavera schedule is updated weekly and submitted monthly to CJFDD as a part of the contractor's payment application. All potential changes are required to include an impact analysis schedule as a part of the contractor's request for additional costs. These schedules become a part of the permanent record of the project and are required to mitigate potential claims. (Please see the attached copy of a Primavera Schedule, CM-10.c.-2.)

The Jail Expansion Program (JEP) budget and costs are monitored in a Microsoft Access database created specifically for CJFDD, entitled "Jail Expansion Tracking System" (JETS). Budget and cost information is collected on each project, purchase, contract and invoice charged to the JEP to ensure effective financial management. The following reports are available: projected and actual cash flows, project cost tables by various categories, contract/purchase order details by contractor/vendor, and trending analysis of changes. The JETS is very flexible in its design to allow a broad view of the entire JEP or a detailed view of a specific project. (Please see an example of an attached JETS Report, CM-10.c.-3.)

Additional information technology systems used by the JEP include a public access web site (www.cjfd.com). The web site provides information on the JEP and is easily navigated through specific project, budget, schedule, and bidding information. A copy of the current monthly report is included on the web site. This report details cash flow and schedule status, as well as a summary overview. Because the JEP is funded by a sales tax that restricts the expenditures to those items identified in Proposition 400, CJFDD makes every effort to keep the public informed of how those dollars are being spent.

Maricopa County Department of Transportation uses Primavera Project Planner Version 3.0. From this program, there are 178 reports available. Of these reports, 47 are routinely prepared and distributed. Primavera has the demonstrated capability to sort and report information by project manager, right-of-way agent, utility coordinator, intergovernmental agreement coordinator, archaeological,

environmental, contract, and construction categories. This allows each right-of-way agent (for example) to receive customized reports showing which activities are scheduled to be complete that month for all projects the agent has been assigned. This allows both the individual and management to know what is expected that month.

The following are example reports:

The key report is the monthly project status report (LT-26), which contains all projects sorted by project manager. It is updated monthly and is used for the monthly project status meeting. The report provides at a glance, what projects have "slipped" since the last report and since the start of the fiscal year, and gives a responsible person for each activity currently in progress. Management can quickly identify problems and begin resolving them in a proactive manner.

A copy of the Project Status Report (LT-26) is attached. The report is typically distributed electronically over the network by converting to a .pdf format and placing in Microsoft Outlook where all interested parties within MCDOT can print a copy. It is the primary means of providing schedule and cost information to MCDOT staff and management. (Please see the attached copy of the LT-26, CM-10.c.-4.)

The LT-38 is one of the reports generated monthly, which is designed for project managers or specific project team members. A copy of this report is included as supplemental documentation and a part of this package. It is designed to alert project managers and team members to activities that require updating. It also provides baseline information so that team members can see how the project is progressing since the beginning of the fiscal year. (Please see the attached copy of the LT-38, CM-10.c.-5.)

An example of a management level report is the LT-13, which is provided to the Engineering Division Manager. This report is designed to give the manager an idea of what is currently happening with the projects for which he is responsible. (Please see the attached copy of the LT-13, CM-10.c.-6.)

The LT-02 is a listing of all projects currently in the database. The list includes the subproject code (a 2-digit code used by the software to assign activities to projects), description, project manager, right-of-way coordinator, the overall duration, the project start date, and other pertinent information. This report is produced monthly and provided to branch managers. (Please see the attached copy of the LT-02, CM-10.c.-7.)

The LT-17 is an example of a report that compares the current schedule with the baseline (July) schedule. It is sorted by project manager and only reports specific milestones. This report is distributed to all project managers and the Engineering Division Manager. (Please see the attached copy of the LT-17, CM-10.c.-8.)

Expedition is project-tracking software which supports the Transportation Improvement Program (TIP) project management. (Please see an attached example of an Expedition Project Tracking Report, CM-10-c.-9.)

Currently, MCDOT also uses the StratBENCOST benefit-cost/risk analysis software developed by the National Cooperative Highway Research Program. StratBENCOST offers two software models, one for network analysis and one for single segment analysis. It allows opportunities to compare “do nothing” scenarios, maintenance only scenarios, full reconstruction scenarios, or another construction alternative scenarios. StratBENCOST can also be used to compare two maintenance scenarios, analyze intersection projects, assess network projects, and analyze several other types of roadway projects. The software currently defines: Total Discounted User Benefits; Net Benefits (Net Present Value); Discounted Capital Costs; Benefit/Cost Ratio; Internal Rate of Return; Payback Period; Discounted Vehicle Operating Costs; Discount Accident Costs; Discounted Vehicle Operating Time Costs; Discounted Emissions Costs; Discounted Maintenance Costs; Discounted Right-of-Way Costs; and Discounted Other Costs. (For further information, please see the benefit cost analysis results reports, CM-10.c.-10, or the .pdf files on the accompanying CD.)

MCDOT has developed additional software tools in-house to supplement StratBENCOST.

The first tool, the Annual Benefit Calculator, calculates the annual user benefit stream based on the total user benefits output from StratBENCOST. Annual user benefits are used by MCDOT to determine when constructing a project becomes economically beneficial. The annual user benefits are then input into the second tool, the B/C Comparison Analyzer.

The second tool, the Benefit/Cost Comparison Analyzer, is used to compare various user-defined benefit-cost scenarios. The B/C Comparison Analyzer compares user benefits, capital costs and benefit-cost ratios for any combination of projects and construction years with any other combination of projects and construction years. By doing so, MCDOT can optimize investments by recommending projects for their optimum time of construction. The B/C Comparison Analyzer also allows the comparison of a single project giving differing alternatives or the advantages of delaying or advancing a project.

The third tool, the Network Vehicle Miles Traveled (VMT) and Vehicle Hours Traveled (VHT) calculates data for input into the StratBENCOST Network Analysis Model. The Network VMT and VHT Calculator takes structure and traffic data for up to 5,000 individual road segments and calculates the results and the miles of roads. These values are categorized by the roads’ functional types for direct input into StratBENCOST.

In FY00-01, over 160 benefit-cost analyses were done on MCDOT’s potential projects where benefit-cost cost analysis could be done. This represents an

estimated 95% of all the projects in the MCDOT Transportation Improvement Project (TIP). It includes projects that are currently in the planning stages and projects that were identified with potential problems in the Small Area Transportation Studies. MCDOT's internal policy is to require projects to have a benefit-cost ratio of 2.0 or greater before they can be constructed unless other non-economic factors such as safety or legislative mandates require otherwise. The types of projects analyzed include capacity enhancement, safety, bridge, bridge scour, traffic control devices, and paving of dirt roads to meet federal non-attainment requirements. MCDOT plans to develop benefit-cost analysis methods to apply to other project types where applicable. (Please see the attached Small Area Transportation Studies, CM-10.c.-11, and the Project Scoring Program, CM-10.c.-12.)

The following programming categories are currently under development and are intended to be operational within the next fiscal year:

1. Intelligent Transportation System Projects
2. Advanced Right-of-Way Acquisition
3. Enhancement Projects: Projects that improve the appearance or functionality of the roadway and cannot be scored under another programming category
4. PM-10 Projects: Paving or dust control projects for the purpose of reducing airborne particulates

Please review the following attachments:

- CM-10.c.-1 Prolog Meeting Minutes
- CM-10.c.-2 Primavera Schedule
- CM-10.c.-3 JETS Report
- CM-10.c.-4 MCDOT LT - 26
- CM-10.c.-5 MCDOT LT - 38
- CM-10.c.-6 MCDOT LT - 13
- CM-10.c.-7 MCDOT LT - 02
- CM-10.c.-8 MCDOT LT - 17
- CM-10.c.-9 MCDOT Expedition Project Tracking Report
- CM-10.c.-10 MCDOT StratBENCOST Reports
- CM-10.c.-11 MCDOT Small Area Transportation Studies

- d. Please describe any ways in which the information technology currently in place for capital management either impedes or dramatically enhances your county's ability to manage its capital.

Each of the departments involved in Capital Improvement Programs utilizes different types of information technology systems, which are specific to their functions. Many of these systems are designed with specific goals that enhance capital reporting for the departments affected. Again, to ensure a complete understanding of each type of technology, each department is listed separately.

The Facilities Management Department (FMD) uses Arc View as the basis for its geographic information system (GIS). The GIS can be used to locate and identify County buildings and real estate assets. Through geocoding of the MAXIMO database, a comprehensive overview of the locations and functions of physical assets can be developed. This information is being used to optimize the siting of three proposed regional service centers. Using GIS, County planners can better understand the locations and relationships of present County facilities. Utilizing geographic data allows for the evaluation of potential sites through a grid-based suitability analysis. The suitability analysis uses a ranking of 12 geographic evaluation criteria to produce a GIS map of suitable sites to locate the regional centers.

The FMD also uses the custom application MCDUST to provide a visual representation for mapping and displaying County parcels. Using a relational database in conjunction with Arc View, the program is used to track 835 land parcels. Linked to digital aerial photos, this information is used to identify sites that may generate PM10 (dust) control violations. By tracking parcel information in relation to PM10 requirements, inspection data, contractor information, and compliance method, the FMD Real Estate Division tracks compliance with applicable Maricopa County Air Pollution rules and provides information for the State Implementation Plan for PM 10. (Please see the attached MCDUST Report for further information, CM-10.d.-1.)

Recently, the FMD partnered with the County's Electronic Business Center to televise over the web the view from a digital camera overlooking the construction site for the new Jackson Street Parking Structure and Clerk of the Superior Court Customer Service Center. The URL is:
http://ebc.maricopa.gov/videolibrary/player.asp?path= videos/FM_ Video.asx&width = 800&banner= Now. The camera will later will be moved to future FMD

construction projects, thus enabling citizens and County managers to view County CIP construction in progress. (For a copy of a still photo taken by the camera, please see the attached picture of the Jackson Street Garage, CM-10.d.-2.)

The FMD has improved its design and construction procedures by increasing the use of the Internet to transfer information, such as meeting minutes, contract files, Autocad drawings, digital pictures, GIS files, product information, and specifications, etc., between owner (County), architect/engineer consultants, and contractors. This process expedites and resolves project issues quickly. Digital recordings are also used to document construction progress, as-built conditions, and document post construction operations and training sessions for County employees.

In regard to the Criminal Justice Facilities Development Department (CJFDD), current technology was specifically selected to support the Jail Expansion Program (JEP), and because of this ability to use selective technology, the JEP's ability to manage its capital is greatly enhanced. The JETS, Primavera, and Prolog programs allow the JEP to be managed proactively. Potential problems are identified ahead of time, issues are tracked and timely resolutions provided, and budget and schedule difficulties can be anticipated and resolved before they become a program impediment.

The appropriate use of technology has also allowed the program to be managed with a minimum number of staff. Without the current technology, the program would need to increase staff by over 200%, adding a significant cost factor, while also minimizing management capabilities.

The Maricopa County Department of Transportation (MCDOT) utilizes Primavera Project Planner (P3) and Microsoft Excel. These technology packages allow MCDOT to totally control schedules and costs and to discover potential problems. P3 provides a means for the Right-of-Way Division, Environmental Planning and the Operations Division to find out when portions of the projects need to be completed and to see how the activities mesh with those of other parties. Using this system of several software programs, electronic mail, and web pages, MCDOT has been able to improve the number of projects completed each year while improving customer service. Since MCDOT began using Primavera Project Planner, the department has seen the primary performance measure- Transportation Improvement Program expenditures- increase from \$21.1 million (58.8% of budget) in FY95 to over \$59.4 million (85.3% of budget) for the last fiscal year. For FY01, 85% of the projects planned to go to bid will actually go out to bid.

The Flood Control District (FCD) developed a project costing system so that the District can track total project costs. This system, however, is not an integrated one and depends on spreadsheets and multiple ancillary databases. Although the current system is accurate in tracking total project costs, FCD staff feels that an integrated system would expedite the process and eliminate the need for duplicative efforts. Therefore, the FCD Information Technology Division is in the process of redesigning the system so that it is more integrated.

Please review the following attachments:

CM-10.d.-1 MCDUST Report.

CM-10.d.-2 Jackson Garage Picture.

11. What obstacles does your county face that inhibit capital planning, project management, or maintenance? Also, does your county face any unusual challenges in the area of capital management?

Maricopa County has one of the fastest growing populations in the nation, which poses challenges in keeping up with the demand for County governmental services. The services impacted are in the areas of:

Civil and criminal justice. The demand for Superior Court services continues to grow.

Managing and maintaining roadways. Maricopa County is larger, in area, than seven states and more populous than 21 states. The County currently manages and maintains over 2,700 miles of roadways in a county that is more than 140 miles across at its widest point, and that varies in terrain from snow capped peaks to hot dry desert. The primary source of funding for roadways is State shared gas tax, which has not had an increase in more than 13 years. In addition, due to changes made to the distribution formula by the State legislature, over the past five years, the County's share of these funds has been reduced compared to all other counties in the state.

Despite these obstacles, Maricopa County Department of Transportation has continued to maintain the County roadway system such that 91.3 percent of all roadway miles are rated very good to excellent with respect to pavement condition. Also, of the County's 242 bridges and structures, 84 percent are currently rated above 80 and therefore classified as very good to excellent based on the federal condition rating. In order to maintain the County's transportation systems at this level, management systems have had to evolve rapidly to handle the volume of work brought about by such tremendous growth.

Population growth and building in former high flood risk areas. The population growth in Maricopa County is pushing people to build in former high flood risk areas such as agricultural lands, deserts, washes, and in areas beyond those that are protected by existing dams. This increases the risks to life and property, and the demand for flood control. To deal with this situation, the Flood Control District is trying to anticipate growth areas and remediate the flood hazards before development begins.

Expenditure limitation. The County is subject to an expenditure limitation imposed by state statute. This limitation restricts the County's ability to spend monies that may be available for capital related areas. (Please see the attached FY98-99 Expenditure Limitation Report, CM-11.-1.)

Please review the following attachment:

CM-11.-1 FY98-99 Expenditure Limitation Report.

12. Is there anything else you think we should know about capital management in your county? (For example, has your county developed any unique or innovative approaches to capital management?)

In the area of unique and innovative approaches and/or concepts, Maricopa County has initiated many.

Maricopa County has leveraged its investment in capital projects through collaborative efforts with private and public partners. For example:

The County recently replaced its outdated employee cafeteria with a state-of-the-art food court. The food court includes three nationally branded franchises, a bakery and "cook to order" facilities. The food court is a partnership with the County and the Eurest Corporation. The cost of the capital improvements were shared and the profits will also be shared. The County will recover its investment in less than 10 years. The result of this initiative is that employees, as well as the public, are offered a superior dining experience at no additional long-term cost to the taxpayer.

Other public-private partnerships include the County's three 18-hole golf courses that were developed by the private sector on County Park lands. In this partnership, no development costs were paid by the County. In fact, the private developer and operator of the courses actually pays rent to the County. Through these types of concession agreements, the General Fund of the County only contributes about 33 percent of the Parks operating budget.

In a public-public partnership, the County has recently begun to develop a solution to the homeless problem in the Downtown area. The project, known as the "Gateway campus", envisions a partnership between the County, Cities and State as well as several

social service agencies to provide housing, food, job training, job referral and health care to the more than 700 homeless people in the area.

In another public-public partnership, the County, the State of Arizona, and the Town of Cave Creek recently acquired the Spur Cross Ranch. Spur Cross Ranch consists of 2,154 acres of pristine, high desert that had been scheduled for commercial development. Acquisition costs were paid by the County, the State and the Town. Operating and development costs will be paid by the Town of Cave Creek. The County Parks department will manage the conservation area.

Other unique or innovative approaches and/or concepts include:

Creation of the Criminal Justice Facilities Development Department (CJFDD) to manage the Criminal Justice Construction Program; this department has a life span limited to the duration of the construction program. The Jail Expansion Program is clearly a massive, one-time capital construction program that does not require a continuing construction organization. The CJFDD is now managing approximately \$515 million in programming, design and construction and doing it with only five County employees and contract technical staff. This innovative approach to capital management has permitted the County to:

- minimize the number of in-house employees it has committed to the project;

- ensure that each employee is highly skilled and highly motivated;

- take advantage of contract staff of a caliber that the County simply cannot compete for in the labor market;

- tailor the organization, skills and qualifications of the contract staff for maximum efficiency and results; and

- maintain the ability to dissolve and otherwise absorb the entire organization when the project is complete.

Use of Alternative Procurement Methods for Construction. Beginning in 2000, the State of Arizona authorized the use of alternative procurement methods for construction, compared to the traditional design, bid, build method. During the pilot program phase of testing, the County initiated two projects using the design-build method: the 51st Avenue Bridge (Transportation Department) and the Jackson Street Parking Structure/Clerk of the Superior Court Customer Service Center. Both projects were accomplished well within their construction/design budgets and shaved months off their original planned project completion dates. As a result, the confidence level of the Board of Supervisors is very favorable for the use of alternative procurement methods. These methods are now permanently enacted into State law and adopted into the County Procurement Code for Construction and Related Architectural/Engineer/Consultant Services. As a result, the Facilities Review Committee recommended the use of a CM (Construction Manager) at Risk for the new County Public Service project, a new County office building planned for over 700,00 square feet of office and administrative space. (Please see the County

Procurement Code for Construction and Related Architectural/Engineer/Consultation Services, CM-12.-1. Additional information regarding this can be reviewed at the following Internet site:

[www.maricopa.gov/materials/p-code/HTML_code/Content.htm# ARTICLE5](http://www.maricopa.gov/materials/p-code/HTML_code/Content.htm#_ARTICLE5)).

MCDOT's use of Primavera Project Planner version 3.0 is unique in the way that one project and 100 subprojects are grouped and sorted to produce reports as required to provide management information to identify problems and begin proactive resolutions. Primavera has just released Primavera enterprise version, which does the same thing that MCDOT has been doing for six years. Primavera has expressed an interest in meeting with MCDOT to view the operation since the company is interested in increasing its transportation business base and wants to see how MCDOT has been working and how MCDOT is planning to integrate Expedition with P3e.

Restoration of rivers, streams and washes saves Maricopa County taxpayers money, creates safer communities, and helps support a sustainable riparian environment. The philosophy of river restoration is practiced most commonly through the watercourse master plan program at the Flood Control District (FCD). Currently, the Agua Fria Watercourse Master Plan, the Skunk Creek Watercourse Master Plan, and the El Rio Vision are dedicated to restoring watercourses.

The Agua Fria Watercourse Master Plan is part of a broader effort in the West Valley to develop a regional recreation area along the Agua Fria and New River corridors. The master plan is a comprehensive flood control plan based on hydraulic analyses, future land use development, environmental considerations and the historic and possible future movement of the Agua Fria River. While accommodating existing uses, the watercourse master plan process involves bringing together public and private interests to identify unique characteristics that should be preserved. This study will lay the groundwork for the implementation of the West Valley Recreation Corridor, which has the potential to be the longest contiguous recreation corridor in the country. The Agua Fria Watercourse Master Plan should be completed by September 30, 2001. After this, the County Board of Supervisors will decide whether to approve the results of the study for the area within the unincorporated portions of Maricopa County. Each city along the corridor will also have the opportunity to adopt the study for their use. (Please see attached documentation for a further explanation of the master plan and West Valley Recreation Corridor, CM-12.-2.)

In August of 1999, the Flood Control District began development of the Skunk Creek Watercourse Master Plan. From a flood control perspective, the Skunk Creek Watercourse Master Plan will identify strategies to protect property and prevent future flooding problems. In the first phase of the master plan, the District's study team evaluated the historic and potential movement of storm water in the Skunk Creek and one of its main tributaries, Sonoran Wash. The study's goals are:

to protect existing and future residents from the 100-year flood event and possible damages associated with channel erosion and lateral migration of Skunk Creek and Sonoran Wash,

to consider structural, non-structural, and a combination of structural and non-structural alternatives,

to consider multiple-use opportunities for floodplain areas,

to minimize future expenditures of public funds for flood control and emergency management, and

to develop a watercourse management plan that generates widespread support and is implementable.

The Skunk Creek Watercourse Master Plan is a forward-thinking approach to flood control in that it considers the impacts of future development into all recommended solutions. This will save residents substantial tax dollars. (Please see attached documentation for further clarification of this master plan, CM-12.-3.)

The El Rio Vision is a seventeen mile watercourse master plan along the Gila River that extends from Phoenix International Raceway in Goodyear to Oglesby Road in Buckeye. Partners for the project include the surrounding cities of Buckeye, Avondale and Goodyear. Under the leadership of the District 5 Supervisor, the project began as a restoration effort to return the Gila River to its natural state while primarily accomplishing the goal of improved flood control. Currently, the river is choked with salt cedar bushes and has become the dumping place for trash, abandoned automobiles and appliances. With the efforts of the District and the partnering cities, the river could not only become beautiful and safe again, but could develop into a recreational corridor that brings high-end economic development to West Valley communities. The El Rio Watercourse Master Plan is currently in the scoping phase and should enter the planning stage by January, 2002. (Please see the attached documentation for further information on the El Rio Vision, CM-12.-4.)

Please review the following attachments:

CM-12.-1 County Procurement Code for Construction and Related Architectural/Engineer/Consultation Services

CM-12.-2 Agua Fria Watercourse Master Plan

CM-12.-3 Skunk Creek Watercourse Master Plan

CM-12.-4 El Rio Vision

Thank you for your valuable assistance in providing this information.

Please provide the names, contact telephone numbers, and email addresses for those who completed this section of the survey:

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Name: Chris Plumb Job Title: Director of MCDOT Planning

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As you know, Governing Magazine will follow up with interviews on the topics covered in this survey. To make sure that the proper people are interviewed, please provide suggestions and contact numbers below.

Who would you recommend that we contact for interviews about Capital Planning?

Name: Chris Plumb Job Title: Director of MCDOT Planning

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Name: Norm Hintz Job Title: Director, Facilities Management Department

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Who would you recommend that we contact for interviews about Project Management?

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Name: Chris Plumb Job Title: Director of MCDOT
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Who would you recommend that we contact for interviews about Capital Maintenance?

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