Prioritizing Data-Driven Budgeting

2024 NCSL Spring Budget Working Group Meeting
Seattle, Washington

Carrington Skinner, NCSL
Thursday, June 6, 2024

Center for Results-Driven Governing

Founded in 2020

SUPPORT
Tailored TA and research to support use of data and evidence in state policy and budget decisions.

AWARENESS
Raise awareness about evidence-informed strategies, available data, relevant research.

RESOURCE HUB
Serve as a national resource and training hub for state policymakers.

CONNECTIONS
Convene legislative and executive branches, researchers, foundations, national organizations.

Governing for Results Network
NATIONAL CONFERENCE OF STATE LEGISLATURES
THE COUNCIL OF STATE GOVERNMENTS
THE POLICY LAB AT UNC-CHAPEL HILL

What is Evidence-Based Policymaking?

Rigorous
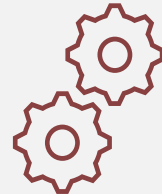
Best available evidence and data to inform decisions

Actionable

Tools and practices you can use to make decisions

Results-Oriented

Find what works and where more information is needed

Ongoing

Knowledge to inform future decisions

Outline

➢ **What is performance-based budgeting and why do states do it?**

➢ **Measuring performance across the states**

➢ **Common themes and state examples**

Defining Performance-Based Budgeting

District of Columbia

"budget presentation consisting of agency programs, estimated total program and activity costs, as well as full-time equivalents for the current and next fiscal year; agency strategic result goals; an overview describing the activities within each program; estimated program costs; and program performance measures." D.C. Code § 47-308.01

Louisiana

"budget which relates funding to expected results." La. Rev. Stat. Ann. § 39:2

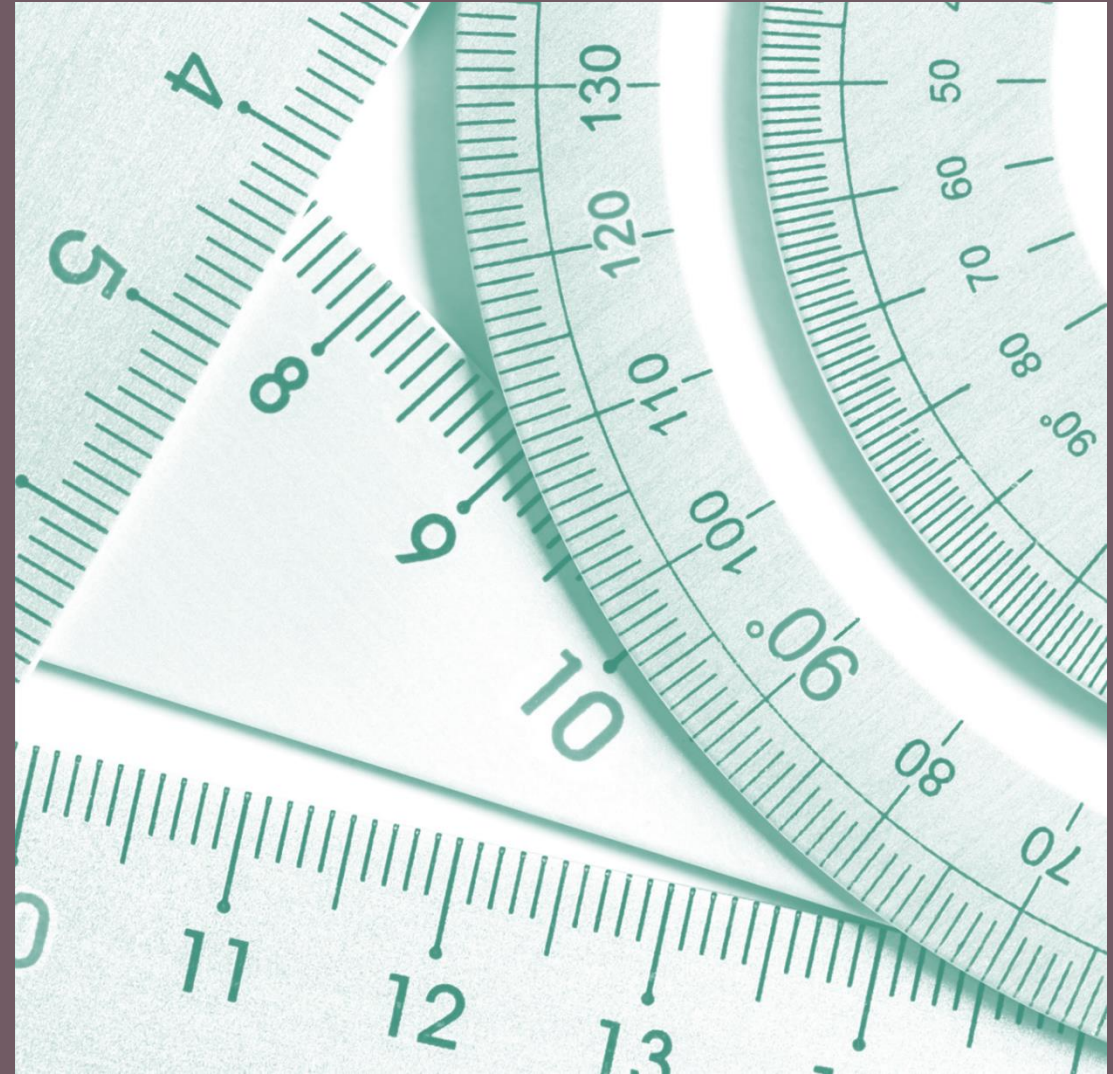# Why Measure Performance?

Inform the decision-making process

Encourage efficient use of resources

Increase accountability
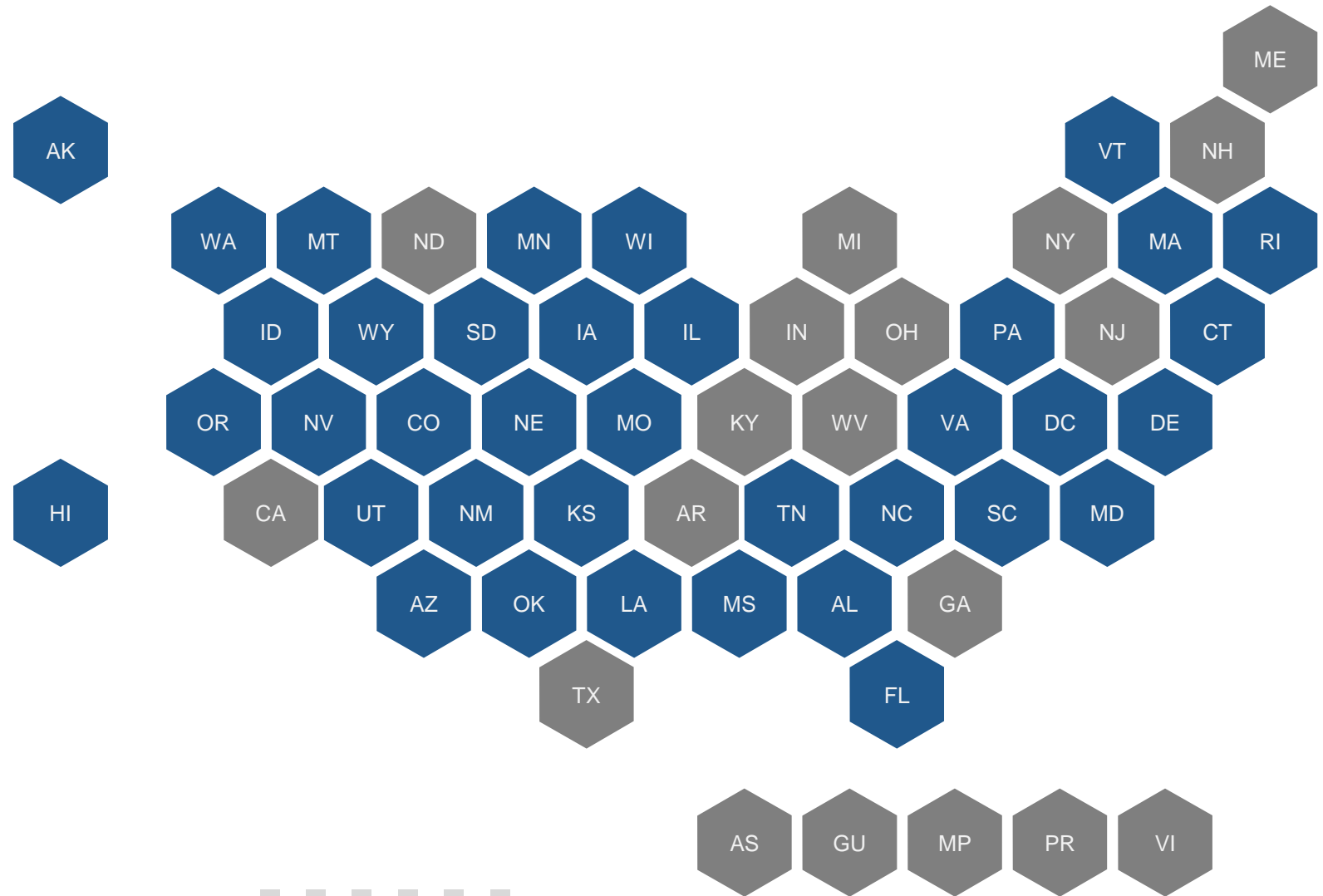

Promote transparency

Performance Measures in Statute

36

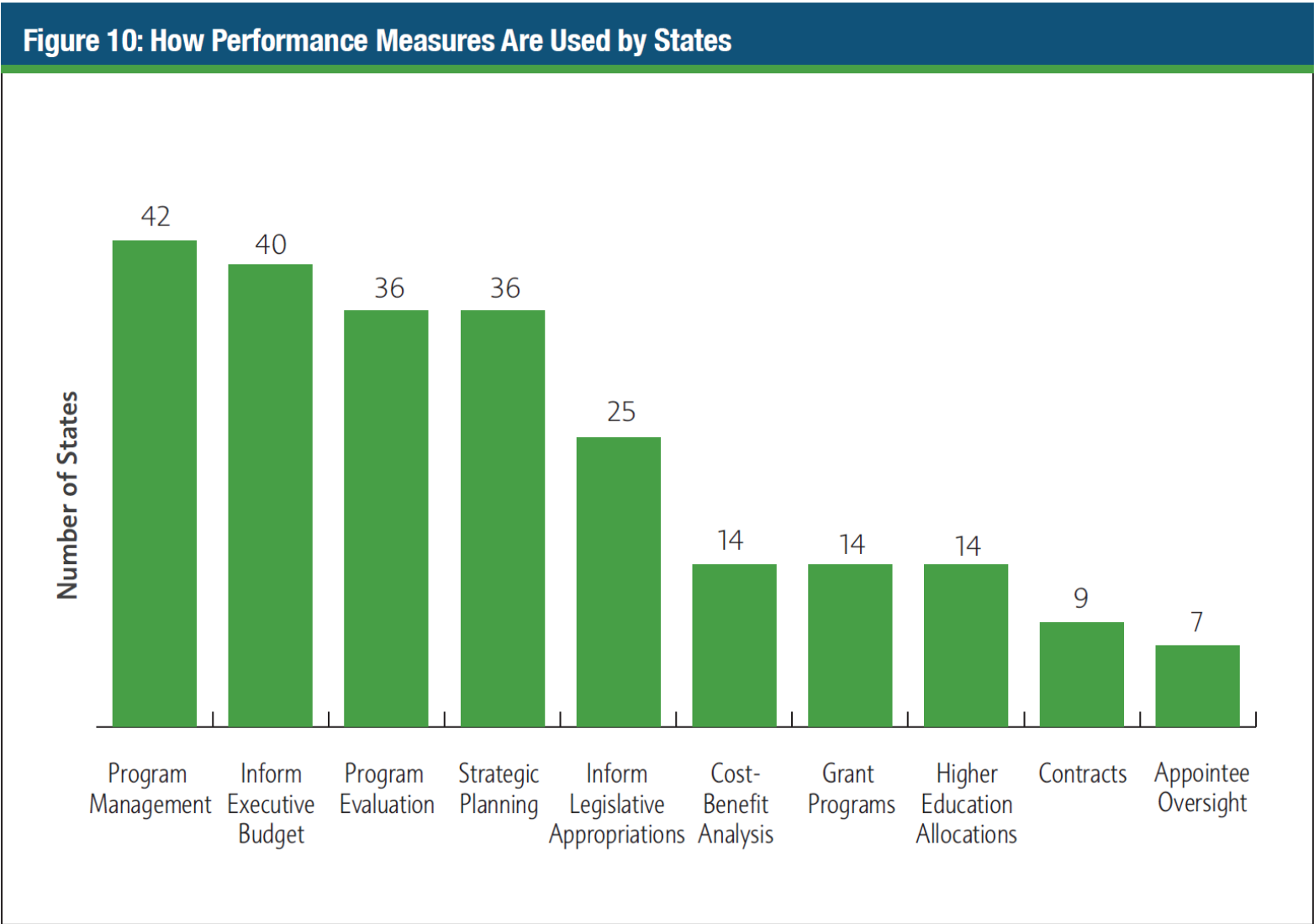**36 States and D.C.**

Statutory requirements for performance measures

Most enacted 1990s or later

Use of Performance Measures

Figure 10: How Performance Measures Are Used by States
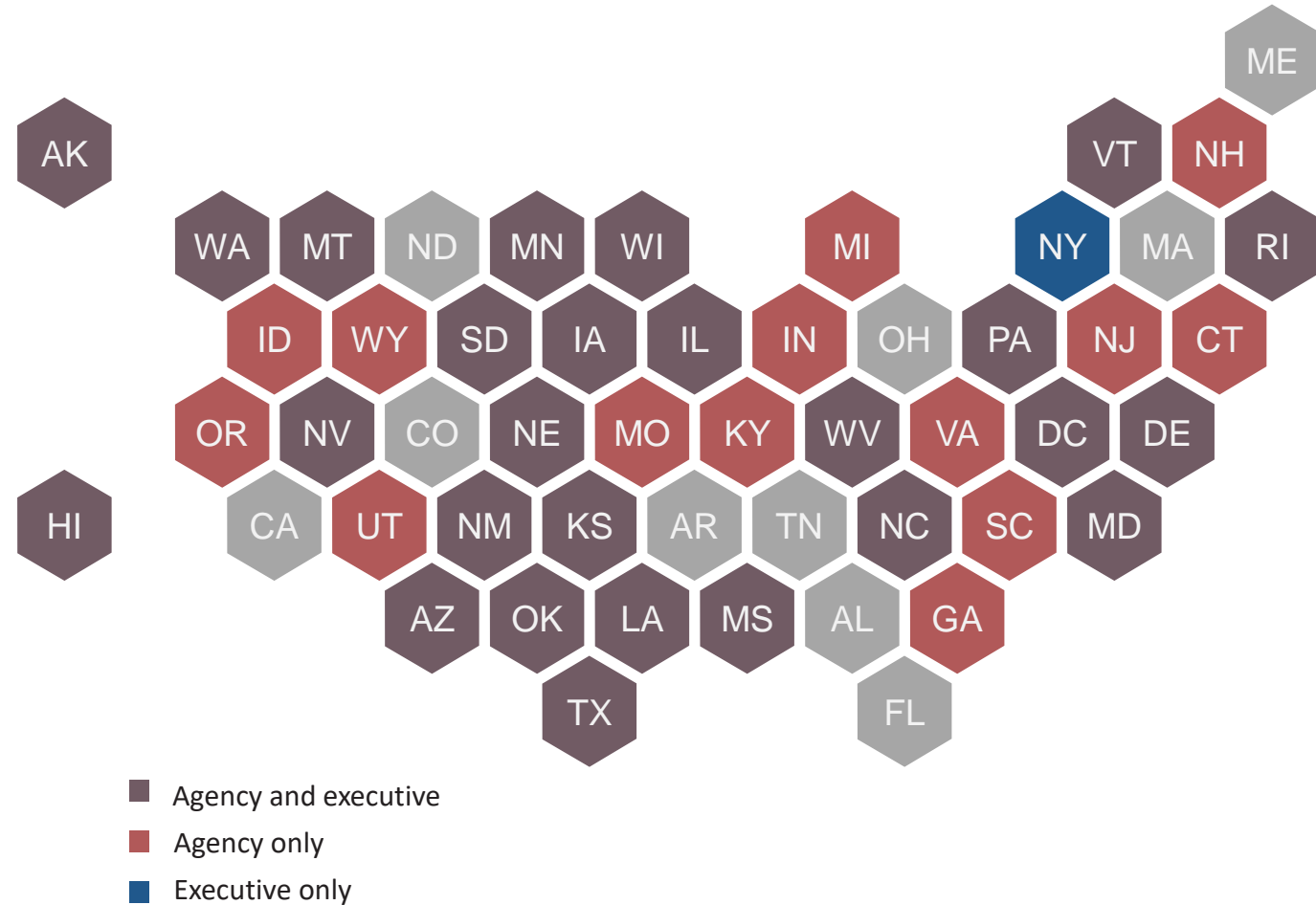
NASBO, Budget Processes in the States 2021

Performance Measures and the Budget

25 states

Performance measures required in agency budget requests and executive budget documents

14 states

Performance measures required in agency budget requests only

Legend:
- Agency and executive
- Agency only
- Executive only

NASBO, Budget Processes in the States 2021

Missouri Categories of Measures in Budget

- [Missouri statute](#) requires legislature to take measures into account in funding decisions
- Agency must include "significant, pertinent performance measures for core programs"

Activity Measures

Program Quality

Program Impact
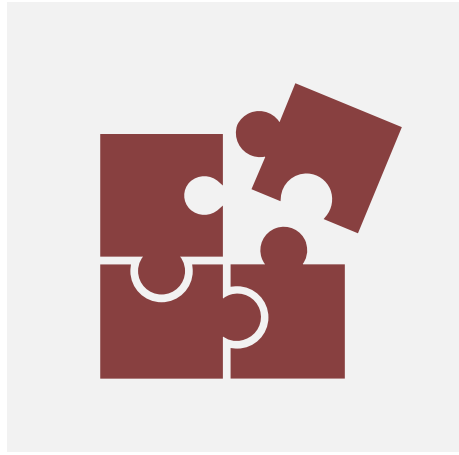
Program Efficiency

Common Features and Considerations

Broad spectrum of related concepts and strategies

Timely, Reliable Data

Big Picture

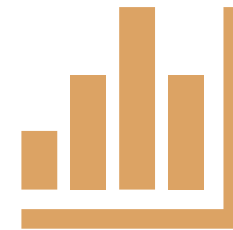**Role of Evidence**

Cross-Branch Processes
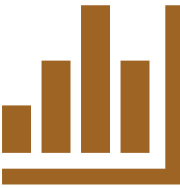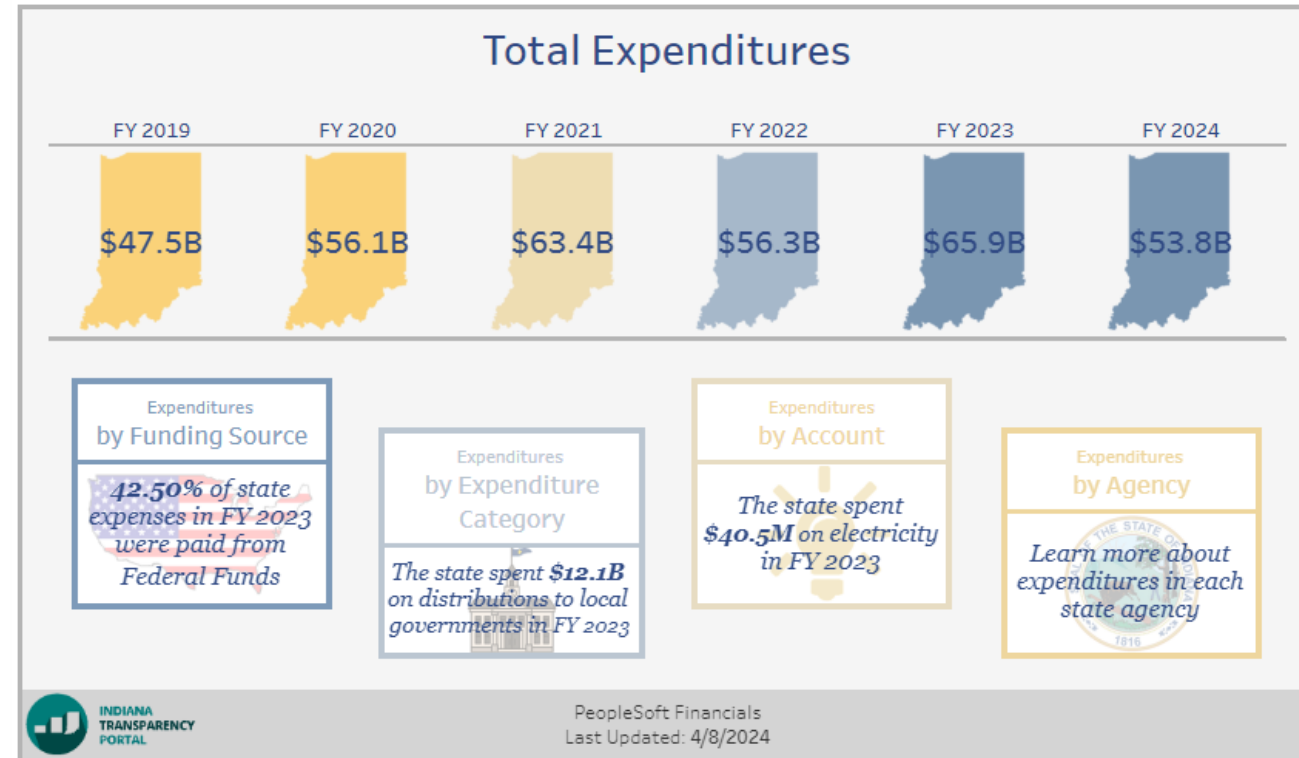
Reporting and Communication

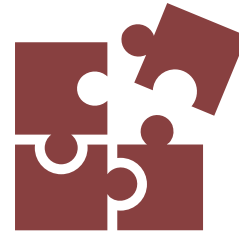Timely, Reliable Data

Indiana Management Performance Hub

- Supports data integration, data sharing, and data analytics across state government to enhance data-driven decision making.

- Operates Indiana Data Hub, along with data dashboards.

- Chief Data Officer and Chief Privacy Officer
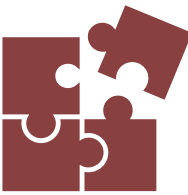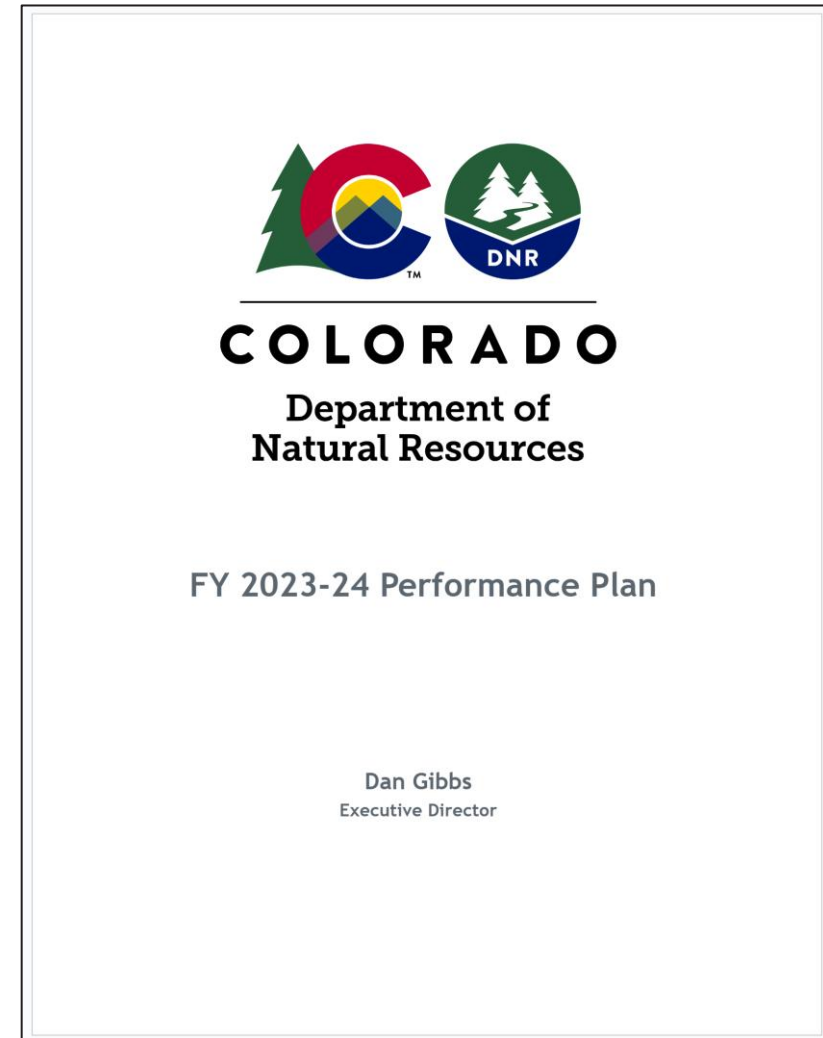
Performance Management Systems

The Big Picture

Colorado SMART Act

State Measurement for Accountable, Responsive and Transparent Government

Statewide performance management system

- Strategic goals and priorities
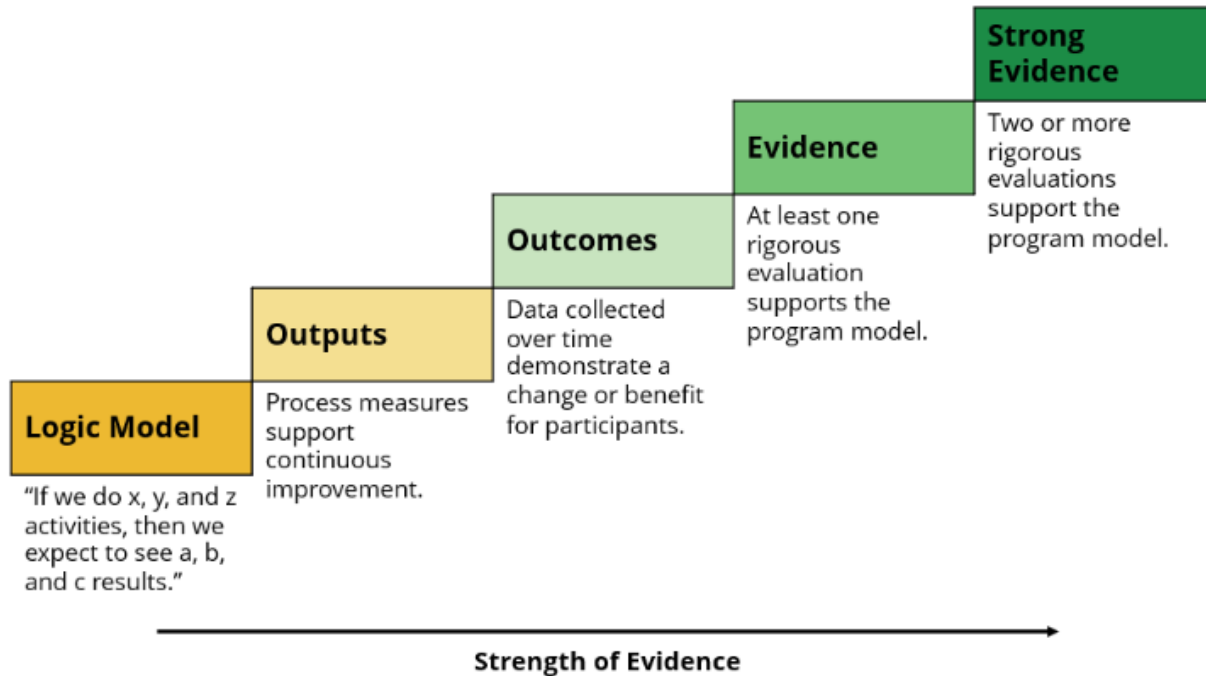- Efficiency improvements
- Performance plans and reports

Role of Evidence 🔍

Tennessee Evidence-Based Budgeting

Led by Office of Evidence and Impact

Strong Evidence
Two or more rigorous evaluations support the program model.

Evidence
At least one rigorous evaluation supports the program model.

Outcomes
Data collected over time demonstrate a change or benefit for participants.

Outputs
Process measures support continuous improvement.

Logic Model
"If we do x, y, and z activities, then we expect to see a, b, and c results."

Strength of Evidence

Tennessee Office of Evidence and Impact

Evidence Framework

- Used in budget process and program inventory

- Provides standardized language around evidence
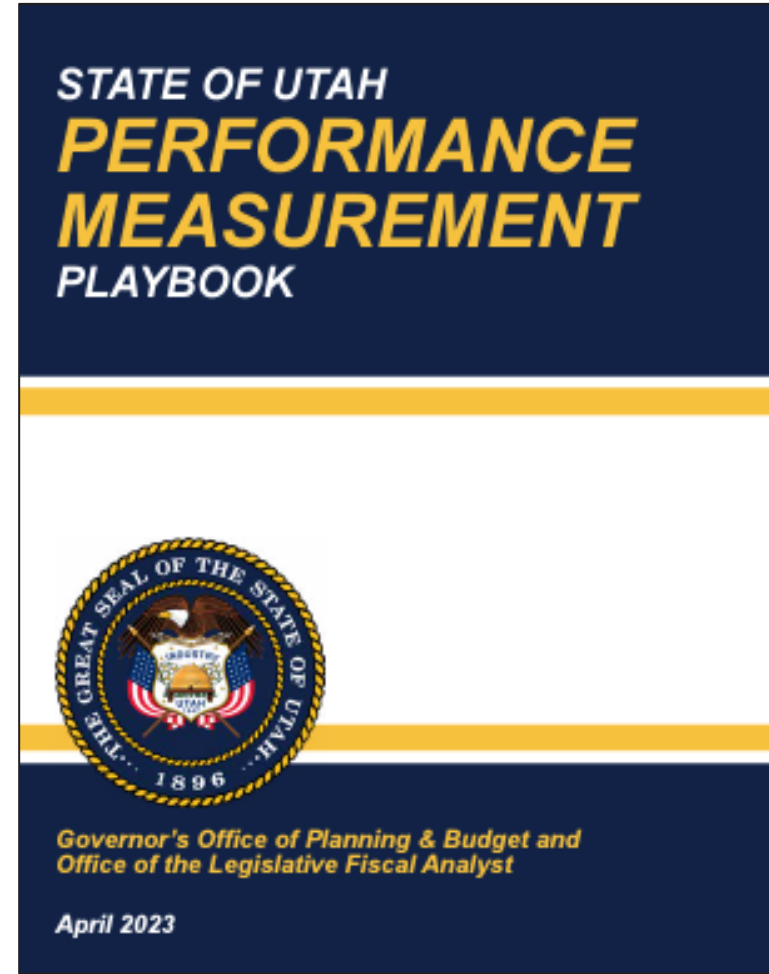
Cross-Branch Collaboration

Utah Performance Measurement Process

From HB 326 (2021) and SB 296 (2023)

Built-in cross-branch collaboration

- Office of the Legislative Fiscal Analyst and Governor's Office of Planning & Budget
- Develop, review, and approve measures
- Create performance measure dashboard and resources, trainings

Reporting and Communication

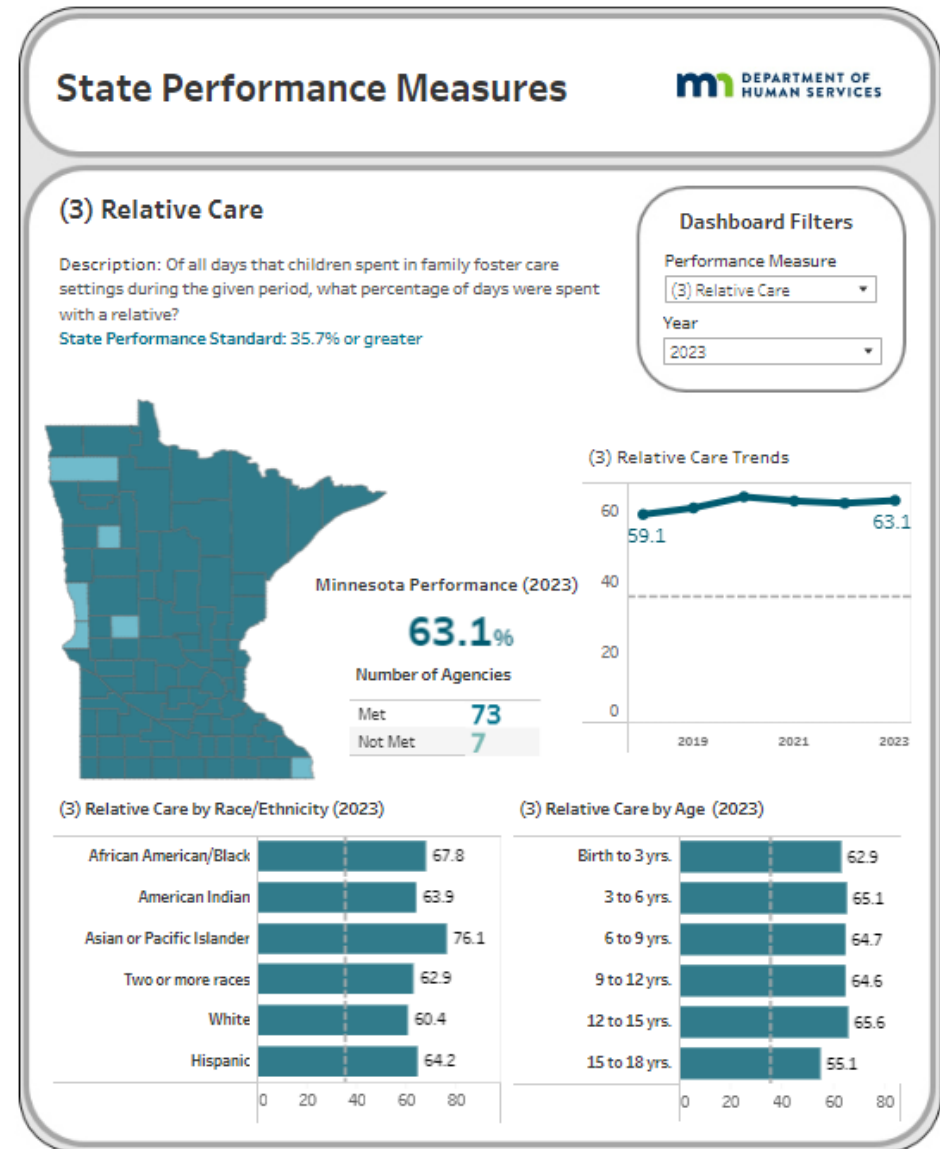# New Jersey Governor's Performance Center

DEPARTMENT OF EDUCATION

Performance Indicators - 2025	FY23 Actual	FY24 Target	FY25 Target
STUDENT LEARNING & ACHIEVEMENT			
English Language Arts/Literacy - Grade 3 - Meeting Expectations or Exceeding Expectations	41.9%	58.0%	60.2%
English Language Arts/Literacy - Grade 9 - Meeting Expectations or Exceeding Expectations	51.6%	57.4%	59.8%
Mathematics - Grade 3 - Meeting Expectations or Exceeding Expectations	45.9%	60.8%	62.7%
Mathematics - Algebra I - Meeting Expectations or Exceeding Expectations	35.4%	52.5%	55.4%
4-Year High School Graduation Rate	91.1%	92.0%	92.3%

STATE OF NEW JERSEY
TRANSPARENCY CENTER

Minnesota Child Welfare Data Dashboard

o Frequently updated with statewide data on nine state measures and seven federal measures.

o Goal is to inform public and decision-makers on status of children in state's child welfare system.

Minnesota Department of Human Services

Resources

NCSL Resources

- ABC's of Evidence-Informed Policymaking
- How States Are Using Evidence to Drive Better Results
- Using Data and Evidence to Make Strategic Budget Decisions

State Resources

- Colorado Performance Management Resources
- Indiana Management Performance Hub
- Minnesota Child Welfare Data Dashboard
- Missouri Performance Measure Resources
- New Jersey Governor's Performance Center
- Utah Performance Measures Resources

Other Resources

- National Association of State Budget Officers (NASBO): Budget Processes in the States 2021
- Evidence-Based Policymaking Resource Center
- Results for America: Results-Focused Budget Process 2021

Thank you!

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