



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Details (With Text)

File #:	16-3977	Version:	1	Name:	PERFORMANCE BASED MANAGEMENT AND BUDGETING
Type:	Ordinance Amendment	Status:			Approved
File created:	6/17/2016	In control:			Finance Committee
On agenda:	6/29/2016	Final action:			7/13/2016
Title:	PROPOSED ORDINANCE AMENDMENT				

PERFORMANCE BASED MANAGEMENT AND BUDGETING

BE IT ORDAINED, by the Cook County Board of Commissioners, that Chapter 2, Administration, Article X, Performance Based Management and Budgeting, Section 2-930 through 2-937 of the Cook County Code is hereby amended as Follows:

ARTICLE X. - PERFORMANCE BASED MANAGEMENT AND BUDGETING

Sec. 2-930. - Legislative findings and purpose.

(a) Cook County has an interest in ensuring that every County Ddepartment and Aagency, including Agencies operated by the 11 separately elected and appointed officials, and the Cook County Health and Hospitals System operate in an efficient and fiscally responsible manner.

(b) Cook County has an interest in improving the delivery of public services and internal management through the use of strategic planning, business planning, a sound resource allocation process encompassing the traditional budget process, a multi-year approach for capital budgeting, and a framework for managerial accountability to ensure that the County's goals, mission and objectives focus on countywide results and that the results produced reflect the goals of statutory programs and responsibilities.

(c) The use of performance measures and standards in the establishment of the annual budget, in the planning and resource allocation processes, and as well as the public reporting of performance information, will result in a more efficient and effective utilization of County resources and improved results for the public and will in an effort to ensure that the County as a whole is addressing its core functions and mission.

(d) Implementing requirements to prepare Preliminary Budget Forecasts and other various forms and reports will bring added transparency to the County's annual budgetary process and highlight positives as well as challenges faced by the County in the upcoming fiscal year.

(e) The purpose of this article is to:

(1) Improve public service delivery through deliberate planning and an emphasis on accountability and results;

(2) Improve the budget process by analyzing and reporting various metrics to better determine the relationship between program funding levels and expected results;

(23) Improve managerial and legislative decision-making by promoting the gathering of meaningful and objective performance information;

(34) Ensure that all Ddepartments and Aagencies are fiscally accountable and are primarily addressing statutory operations and functions; and

(5) Utilize Program Inventory to provide greater detail on County services and programs to County residents, employees and Departments and Agencies; and

(46) Improve public trust in County government by holding the County and its Departments accountable for achieving results.

Sec. 2-931. - Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning:

Annual Report means the Annual Report described in Section 2-936.

Annual Physical Inventory means an annual process by which a County Agency or Department reviews the Capital Equipment items under its purview and physically verifies a count of said items for the purpose of documenting the possession of said items and that the inventory records reflect actual quantities on hand.

Asset Management Bureau Chief means the Chief of the Cook County Bureau of Asset Management.

Board for the purposes of this article, means the Cook County Board of Commissioners.

Budget Director means the Director of the Cook County Department of Budget and Management Services.

Budget Request means the annual request for budgetary funding for the forthcoming fiscal year submitted by County Departments and Agencies in the form and manner required by the Budget Director.

Capital Equipment means tangible depreciable property (other than land or buildings) necessary to run the day-to-day operations of an organization; such as, technology systems, technology hardware, power-driven machines, industrial tools, furniture, vehicles, medical or laboratory equipment used to provide patient care, but does not include office supplies or items of annually expensed inventories.

Chief Financial Officer means the Chief Financial Officer in the Cook County Bureau of Finance.

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County Departments or Agencies or County Department or Agency for the purposes of this article, means all County departments and agencies, including, but not limited to offices, departments and agencies of or lead by the following elected and/or appointed officials:

- (1) The President of the Board of Commissions of Cook County;
- (2) The Cook County Assessor;
- (3) The Commissioners of the Cook County Board of Review;
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- (5) The Clerk of the Circuit Court of Cook County;
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Efficiency Metric means a performance indicator and target measuring the relationship between work performed and resources required.

Inventory means an inventory of Capital Equipment, Software Assets and/or Technology Hardware Assets with a value over \$5,000 and an estimated useful life of at least five years, which shall include the approximate date of purchase (if known), estimated useful life, estimated replacement cost, and anticipated requested replacement date.

Outcome Metric means the performance indicator and target measuring the results of an operation or program.

Output Metric means a performance indicator measuring the number of items processed within a period of time.

Performance-Based Budgeting means budgeting concepts that take into consideration a determination of the total available resources; prioritization of desired outcomes; allocation of resources based on priorities and analysis; set measures of annual progress, monitor and review and communication of performance results.

President for the purposes of this article, means the President of the Cook County Board of Commissioners.

Preliminary Budget Forecast means a form completed by County Departments and Agencies as directed by the Budget Director which shall include (1) analyses on expenditure and revenue variances; (2) such additional information as is provided in Section 2-933; and (3) such additional information as is requested by the Budget Director.

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Program Based Budgeting means a vehicle for reorganizing administrative units into more coherent structures focused on particular objectives, and that emphasizes the objectives and outputs of government spending, and presents information in ways that make it easier to relate allocations to the goals of spending, such as improved service delivery, while grouping budgetary inputs around objectives.

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Program means an administrative unit contained in a Program Inventory or Program Inventories offered by each County Department or Agency that are further delineated with employee and cost data.

Quarterly Record for the purposes of this article, means the quarterly records described in Sections 2-932(a) and 2-932(b).

Persons Served means a measured number and target of persons served in a defined annual time period for a given County operation or program.

Software Asset means all types of software, including custom, commercial off-the-shelf, and remotely-hosted software, as well as software license agreements and consumption information related to the number of software instances installed or in use.

Technology Hardware Asset means all types of computer hardware or systems, to include servers, switches, desktop personal computers, laptops and other similar computer technology, peripherals or equipment.

Capital Equipment Inventory for the purpose of this article, means an inventory of Capital Equipment which shall include the approximate date of purchase (if known), estimated useful life, estimated replacement cost, and anticipated requested replacement date.

Zero-Based Budgeting means budgeting concepts that breakdown expense activities into meaningfully identifiable unit costs; identify objectives or requirements of each program; provide a determination of the fundamental level of service and allocate resources based on that level of service; examine how an incremental level of funding can contribute to an increase in production and services provided, with at least one alternative funding level, which shall be lower than the current fiscal year's appropriation; provide an assessment of the costs and benefits of each incremental level of funding accompanied by a detailed justification of said costs; identify budget priorities and aligning resource allocation to these objectives; and monitor and evaluate objectives in the budget.

Sec. 2-932. -Capital Equipment Budget Review.

(a) Each County Department and Agency shall prepare a Capital Equipment Request for review by the Chief Financial Officer and Budget Director to facilitate the development of a multi-year capital budget and plan that identifies and prioritizes projected needs in a strategic fashion, in such time and format as provided for by the Budget Director. The Capital Equipment Request shall include project scope, detailed costs and project timeline; cash flow projections associated with the amount and timing of capital projects; equipment inventory; and replacement cycle schedules. Each County Department and Agency shall re-evaluate capital projects approved in previous capital plans and anticipate the projects' impact on the operating budget, including operating and maintenance costs. Multiyear project funding requests should clearly identify and request the cash flow expected for the upcoming year as well as notate the entire project cost in later years.

(b) All approved Capital Equipment Requests should be procured within the year (unless otherwise provided) they are appropriated for and any unanticipated delays on multi-year projects may be carried over to the following year subject to approval from the Budget Director for items that are procured and expensed over an extended period of time. Purchases of Capital Equipment items that would be expensed via a singular, discrete purchase and that are not purchased during the year they are appropriated for will not be carried over to the following year.

(c) Each County Department and Agency shall submit its Capital Equipment Request on or before April 1 each year and shall do so in the form and manner established by the Budget Director. A

copy of the Department's Inventory for Capital Equipment, Software Assets and Technology Hardware Assets shall also be included with the Capital Equipment Request. Any items for which the Agency or Department will be requesting funding from County Capital Equipment funding accounts must then be included in the Department's annual Capital Equipment Request.

(1) Components of the Capital Equipment Inventory shall include a Software Asset Inventory, and Technology Hardware Asset Inventory. The Inventory for these two technology categories shall include All Software Assets and Technology Hardware Assets along with a description of each inventory item. Software Asset and Technology Hardware Asset Inventories will include its version, dependencies, hosting location, annual maintenance cost, and Department or Agency's opinion of the reliability and necessity of each inventory item. The Department or Agency shall also supply its future plans or policy for the life cycle of each Inventory item.

(2) The Budget Director and Chief Information Officer jointly shall review each Software Asset and Technology Hardware Asset Inventory submission and requests and prepare a consolidated report to be submitted to the Board by the Budget Director with the annual executive budget recommendation. The consolidated report shall summarize Software Asset and Technology Hardware Asset Inventory submissions and be accompanied by a proposed strategic technology policy document as prepared by the Chief Information Officer, and where applicable include the Chief Information Officer's opinion as to whether Inventory items are cost-effective, up-to-date, and secure, and whether the asset complies with a strategic technology policy document and objectives for the County.

(3) The Budget Director and Asset Management Bureau Chief jointly shall review non-technology related Capital Equipment Inventory submissions and requests and prepare a consolidated report to be submitted to the Board by the Budget Director with the annual executive budget recommendation. The consolidated report shall summarize Capital Equipment Inventory submissions and include the Asset Management Bureau Chief's opinion as to whether the requests are appropriate and meet the objectives of the County.

(4) The Budget Director shall review vehicle related Capital Equipment requests in cooperation with the Vehicle Steering Committee and prepare a consolidated report to be submitted to the Board with the annual executive budget recommendation. The consolidated report shall summarize vehicle requests and include the Vehicle Steering Committee's approval recommendation as per the objectives of the County.

(d) Each County Department and Agency shall complete and document an Annual Physical Inventory of the items of Capital Equipment in its possession, and such review will be certified by the senior management of said Department or Agency. The Annual Physical Inventory shall be entered into a form and manner as established by the County Comptroller, and may include entry into the County's accounting system of record. The Annual Physical Inventory may be included in the Annual Report at the discretion of the Budget Director.

Sec. 2-9323. Preliminary Budget Forecast Quarterly submissions to President and Board.

(a) In order for the President to prepare the annual budget recommendation, each County Department and Agency shall prepare and submit to the Budget Director a Preliminary Budget Forecast on or before June 1, of each year or other date established by the Budget Director, whichever is earlier.

(b) Each County Department and Agency shall comply with the deadline established under this Section, and in the event a Department or Agency fails to do so, the Budget Director shall produce the relevant Preliminary Budget Forecast, and notify the President and the Board of Commissioners of the Department or Agency's failure to comply with this section.

(c) The President shall publish and submit to the Board, no later than June 30th of each year, a Preliminary Budget Forecast Report for the forthcoming fiscal year, which shall include, (1) data received from Preliminary Budget Forecasts; (2) a six-month assessment of expenditures by fund, including the appropriation for the current calendar year and a revised estimate of revenues for the current fiscal year; (3) an initial projection for the next year's expenditures and revenues; and (4) such additional information as the President so desires.

(a) Each County Department and Agency shall prepare a Quarterly Record wherein it shall define its mission and establish measurable goals for achieving desirable results for those who received its services and the taxpayers who pay for those services. Each County Department and Agency shall also develop clear strategies and timelines to achieve its goals. In addition, the Quarterly Record shall provide year to date budget information on expenses and revenues and analysis of any significant variances and impact on performance goals, as well as corrective measures to eliminate any budgetary shortfall by year end if applicable.

(b) The Quarterly Record submission shall include, but not be limited to, specific and measurable performance indicators, with corresponding performance objectives and targets, for each departmental or agency activity that are impartial, quantifiable and that demonstrate progress to date. The President and/or his or her designee, prior to the submission of the first Quarterly Record by any County Department or Agency, shall meet with each County Department or Agency to determine the appropriate performance indicators and corresponding performance objectives and targets for such County Department or Agency. Notwithstanding anything to the contrary in this Section 2-932, the County Departments and Agencies shall prepare its Quarterly Records in accordance with the performance indicators and performance objectives determined in these meetings and as otherwise established by the President and/or his or her designee.

(c) The Quarterly Record submission shall also include a statement of purpose for the County Department or Agency, services and programs provided that are required by law, including the mandating law, statute or ordinance, and services and programs provided that are not required by law but that enhance County services.

The Quarterly Record submission shall clearly show the relationship between resources, County Departmental or Agency activities and the expected level of performance to ensure performance based management and budgeting.

The Quarterly Record submission shall also include, but not be limited to, the following components:

- (1) Staffing levels;
- (2) Personnel expenditures, including employee overtime expenditures;
- (3) Employee lost labor hours, including sick time usage and FMLA usage;
- (4) Descriptions of proposed adjustments to existing service levels tied to reported performance indicators;

(d) Each County Department and Agency shall submit its Quarterly Record to the President and his or her designee no later than March 15, June 15, September 15 and December 15 each year.

(e) The President or his or her designee shall transmit each Quarterly Record submission received from County Departments and Agencies to the Board for Board review by April 1, July 1, October 1 and January 1 of each year.

(f) The President or his or her designee, the Chief Performance Officer and the Budget Director, shall review the Quarterly Record submissions and analyze performance data with a consideration of the Annual Executive Budget Recommendation to determine the effectiveness of strategies, program performance, and justification for continued, increased, or decreased funding.

(g) All offices and agencies of Cook County government, including, but not limited to, the Cook County Board of Commissioners, Cook County Health and Hospital System and the offices of the Cook County Sheriff, Cook County Treasurer, Cook County Board of Review, Cook County Assessor, Cook County State's Attorney, Cook County Clerk, Clerk of the Circuit Court of Cook County, the Chief Judge of Cook County and the Cook County Recorder of Deeds shall work with the Chief Performance Officer and Budget Director as requested in order to meet the timelines addressed herein. Each agency shall include a proposed Quarterly Submission format for the ensuing fiscal year

along with their budget submission to the Department of Budget and Management Services, and be prepared to discuss this report to the Board of Commissioners during their annual budget hearing.

Sec. 2-9334. - Annual Budget Request Preparation and Submissions Quarterly meetings

(a) Each County Department and Agency shall submit to the President and Budget Director on or before August 15, of each year or at an earlier date as determined by the Budget Director, a Budget Request in such form and manner established by the Budget Director. In preparing the Budget Request form, the Budget Director shall take into account Performance-Based, Program-Based and Zero-Based Budgeting concepts.

(b) With its Budget Request, each County Department and Agency shall provide the following information in such format as is required by the Budget Director:

(1) An organizational chart wherein all employment positions requested are accounted for;

(2) A Program Inventory of the Department or Agency, which includes an allocation of all requested budgetary costs and all requested employment positions among the relevant functions of the Department;

(3) Data associated with specific metrics for each program set forth in the Department's Program Inventory, including Outcome Metrics, Output Metrics and Efficiency Metrics;

(4) The number of Persons projected to be served for each relevant program in Departments or Agencies that directly serve Persons external to County Government;

(5) Estimated data relative to performance metrics applicable to the current budget year as of a date no greater than 30 days prior to the date of the submission of the Budget Request;

(6) Estimated data for year-end in the current fiscal year;

(7) Target data for the fiscal year for which the Budget Request is made; and

(8) Such other data as is prescribed by the Budget Director to support the Budget Request and its final or modified inclusion in the President's proposed executive budget recommendation and appropriation bill.

(a). At the first Board meeting following the due date of Budget Requests, the Budget Director shall report to the Board the Agencies or Departments that have complied with the requirements set forth in this article and those Agencies or Departments that have not so complied.

(b) In the event a County Department or Agency fails to comply with the provisions of this Section, the Budget Director shall recommend to the President expenditures by fund for the forthcoming fiscal year, and provide an estimate of revenues for the forthcoming fiscal year, for such Department or Agency.

The President or his or her designee shall, on a quarterly basis, meet with County Departments and Agencies to discuss the Quarterly Record as well as the County Department or Agency's progress with respect to the chosen performance indicators and corresponding performance targets for priority outcomes.

Sec. 2-9345. - Budget review, recommendation and allocation.

(a). Each County Department and Agency shall prepare preliminary budget forecast estimates for review by the President Board or his designee on or before March 15, June 1 and September 15, of each year that will include analysis on expenditure and revenue variances in a form prescribed by the Budget Director. The Budget Director may provide guidance on the format of the reports and specify

the due date.

(b). All offices and agencies of Cook County government, including, but not limited to, the Cook County Board of Commissioners, Cook County Health and Hospital System and the offices of the Cook County Sheriff, Cook County Treasurer, Cook County Board of Review, Cook County Assessor, Cook County State's Attorney, Cook County Clerk, Clerk of the Circuit Court of Cook County, the Chief Judge of Cook County and the Cook County Recorder of Deeds shall meet the timeline established by the Budget Director as requested. If any office or agency fails to comply, the Department of Budget and Management Services is authorized to estimate the preliminary forecast for any office or agency of Cook County government, and to notify the Board of Commissioners of such failure to comply.

(c). The President shall issue a preliminary budget forecast which shall be published on or before June 30th of each year and presented to the Cook County Board of Commissioners thereafter. This report shall issue an assessment of the fiscal condition of the County prior to the next year's budget cycle. The preliminary forecast shall provide a six-month assessment of expenditures by fund, including the appropriation for the current calendar year and a revised estimate of revenues for the current fiscal year. The preliminary forecast shall provide an initial projection for the next year's expenditures and revenues.

(da) Following review of the Budget Requests, The executive budget recommendation and proposed appropriation bill shall be presented by the President to the Cook County Board of Commissioners no later than October 31st of each year.

(eb) The President's executive budget recommendation and proposed appropriation bill shall be based on various budgeting approaches, including, but not limited to, Program-Based, Performance-Based and Zero-Based Budgeting Concepts.

These approaches shall include, but not be limited to, zero-based and performance-based budgeting concepts as outlined below.

Performance-Based Budgeting Concepts:

Determination of the total available resources;

Prioritization of desired outcomes;

Allocation of resources based on priorities and analysis;

Set measures of annual progress, monitor and review

Communication of performance results

Zero-Based Budgeting Concepts:

Breakdown expense activities into meaningfully identifiable unit costs

Identification of objectives or requirements of each program

Determination of the fundamental level of service and allocate resources based on that level of service

Examination of how an incremental level of funding can contribute to increase in production and services provided, with at least one alternative funding level, which shall be lower than the current fiscal year's appropriation

Assessment of the costs and benefits of each incremental level of funding accompanied by a detailed justification of said costs

Identification of budget priorities and aligning resource allocation to these objectives

Monitor and evaluate objectives in the budget

(c) At the direction of the Budget Director, Information derived generated from Program Inventories, program metrics, and performance-based, or zero-based and program-based budgeting concepts Budgeting approaches, shall be included and summarized in the departmental narrative, as part of the executive budget recommendation. Program Inventories, outlining the departmental and program purpose, program efficiency, program effectiveness, program outcomes, cost benefit analysis, target population, and service-level alternatives shall be included in the executive budget recommendation. Said summary shall also provide an explanation as to how the various budgeting concepts were considered and incorporated into the executive budget recommendation. In addition, any analysis conducted using the performance data in the Annual Report Quarterly Record that has an impact on proposed funding allocation may also be summarized in the executive budget recommendation. Each County Department and Agency shall be prepared to provide additional detail during the annual budget hearing process. that has an impact on proposed funding allocation shall be summarized in the executive recommendation. Said summary shall also provide an explanation as to how the above stated Zero-Based Budgeting concepts were considered and incorporated into the executive budget recommendation for those departments identified and subject to Zero-Based Budgeting. All offices and agencies of Cook County government, including, but not limited to, the Cook County Board of Commissioners, Cook County Health and Hospital System and the offices of the Cook County Sheriff, Cook County Treasurer, Cook County Board of Review, Cook County Assessor, Cook County State's Attorney, Cook County Clerk, Clerk of the Circuit Court of Cook County, the Chief Judge of Cook County and the Cook County Recorder of Deeds shall provide information requested in the budget process.

Sec. 2-9356. - Annual Report and Performance-Based Program Review.

(a) Within 45 days of Fiscal Year end, each County Department and Agency shall prepare an Annual Report in a form and manner as described by the Budget Director wherein the Department or Agency shall provide year-end values for the data for its performance metrics included as part of its annual Budget Request as described in Section 2-933. The Annual Report shall be sent to the President or his or her designee, and the Budget Director, who shall prepare a summary report of these values to be presented to the Board at a Board meeting to occur no later than the Month of March.

(b) The Annual Report Quarterly Record submission shall serve as the basis for performance based program reviews that shall be conducted by the Chief Performance Officer and Budget Director. Such reviews shall include the following:

(1) A review as to whether the program is in conformance with the mission of the Department and Agency, its statutory authority and adopted budgetary priorities;

(2) Zero-Based, Program-Based and Performance-Based budgeting concepts as set forth in Subsection 2-934(e);

(3) Application of program workload measures, program efficiency measures, program effectiveness measures, program outcome measures and cost-benefit analysis; and

(4) An analysis of the customer or client base served by the program and delivery of service alternatives.

(c) The President or his or her designee, the Chief Performance Officer and the Budget Director, shall review the Annual Report submissions and the Budget Director and Chief Performance Officer shall be charged with analyzing performance data to determine the effectiveness of strategies, program performance, and justification for continued, increased, or decreased funding in the forthcoming budget year.

(d) Each County Department and Agency shall work with the Chief Performance Officer and Budget Director to meet the timelines and substantive requirements provided for herein.

Sec. 2-9367. - Accountability and performance.

(a) Departments and Agencies shall be held accountable for the achievement of performance objectives, as outlined in the Annual Report Quarterly Record and Department heads and managers may be further accountable for the achievement of performance objectives through performance evaluation and other appropriate managerial tools.

(b) Management and staff shall employ progressive techniques to ensure continuous efficiency and effectiveness in County operations.

(c) Managers and staff shall not allow the expenditures for any line item for their department or agency to exceed the total amount appropriated for such line item by the approved budgets without express approval of the Board.

Effective date: This ordinance shall be in effect immediately upon adoption.

Sponsors: TONI PRECKWINKLE (President), JOHN P. DALEY, ROBERT STEELE

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
7/13/2016	1	Finance Committee	recommend for approval	Pass
7/13/2016	1	Board of Commissioners	approve	Pass
6/29/2016	1	Board of Commissioners	refer	Pass

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- (1) Improve public service delivery through deliberate planning and an emphasis on accountability and results;
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Technology Hardware Asset means all types of computer hardware or systems, to include servers, switches, desktop personal computers, laptops and other similar computer technology, peripherals or equipment.

Capital Equipment Inventory for the purpose of this article, means an inventory of Capital Equipment which shall include the approximate date of purchase (if known); estimated useful life; estimated replacement cost; and anticipated requested replacement date.

Zero-Based Budgeting means budgeting concepts that breakdown expense activities into meaningfully identifiable unit costs; identify objectives or requirements of each program; provide a determination of the fundamental level of service and allocate resources based on that level of service; examine how an incremental level of funding can contribute to an increase in production and services provided, with at least one alternative funding level, which shall be lower than the current fiscal year's appropriation; provide an assessment of the costs and benefits of each incremental level of funding accompanied by a detailed justification of said costs; identify budget priorities and aligning resource allocation to these objectives; and monitor and evaluate objectives in the budget.

Sec. 2-932. -Capital Equipment Budget Review.

(a) Each County Department and Agency shall prepare a Capital Equipment Request for review by the Chief Financial Officer and Budget Director to facilitate the development of a multi-year capital budget and plan that identifies and prioritizes projected needs in a strategic fashion, in such time and format as provided for by the Budget Director. The Capital Equipment Request shall include project scope, detailed costs and project timeline; cash flow projections

associated with the amount and timing of capital projects; equipment inventory; and replacement cycle schedules. Each County Department and Agency shall re-evaluate capital projects approved in previous capital plans and anticipate the projects' impact on the operating budget, including operating and maintenance costs. Multiyear project funding requests should clearly identify and request the cash flow expected for the upcoming year as well as notate the entire project cost in later years.

(b) All approved Capital Equipment Requests should be procured within the year (unless otherwise provided) they are appropriated for and any unanticipated delays on multi-year projects may be carried over to the following year subject to approval from the Budget Director for items that are procured and expensed over an extended period of time. Purchases of Capital Equipment items that would be expensed via a singular, discrete purchase and that are not purchased during the year they are appropriated for will not be carried over to the following year.

(c) Each County Department and Agency shall submit its Capital Equipment Request on or before April 1 each year and shall do so in the form and manner established by the Budget Director. A copy of the Department's Inventory for Capital Equipment, Software Assets and Technology Hardware Assets shall also be included with the Capital Equipment Request. Any items for which the Agency or Department will be requesting funding from County Capital Equipment funding accounts must then be included in the Department's annual Capital Equipment Request.

(1) Components of the Capital Equipment Inventory shall include a Software Asset Inventory, and Technology Hardware Asset Inventory. The Inventory for these two technology categories shall include All Software Assets and Technology Hardware Assets along with a description of each inventory item. Software Asset and Technology Hardware Asset Inventories will include its version, dependencies, hosting location, annual maintenance cost, and Department or Agency's opinion of the reliability and necessity of each inventory item. The Department or Agency shall also supply its future plans or policy for the life cycle of each Inventory item.

(2) The Budget Director and Chief Information Officer jointly shall review each Software Asset and Technology Hardware Asset Inventory submission and requests and prepare a consolidated report to be submitted to the Board by the Budget Director with the annual executive budget recommendation. The consolidated report shall summarize Software Asset and Technology Hardware Asset Inventory submissions and be accompanied by a proposed strategic technology policy document as prepared by the Chief Information Officer, and where applicable include the Chief Information Officer's opinion as to whether Inventory items are cost-effective, up-to-date, and secure, and whether the asset complies with a strategic technology policy document and objectives for the County.

(3) The Budget Director and Asset Management Bureau Chief jointly shall review non-technology related Capital Equipment Inventory submissions and requests and prepare a consolidated report to be submitted to the Board by the Budget Director with the annual executive budget recommendation. The consolidated report shall summarize Capital Equipment Inventory submissions and include the Asset Management Bureau Chief's opinion as to whether the requests are appropriate and meet the objectives of the County.

(4) The Budget Director shall review vehicle related Capital Equipment requests in cooperation with the Vehicle Steering Committee and prepare a consolidated report to be submitted to the Board with the annual executive budget recommendation. The consolidated report shall summarize vehicle requests and include the Vehicle Steering Committee's approval recommendation as per the objectives of the County.

(d) Each County Department and Agency shall complete and document an Annual Physical Inventory of the items of Capital Equipment in its possession, and such review will be certified by the senior management of said Department or Agency. The Annual Physical Inventory shall be entered into a form and manner as established by the County Comptroller, and may include entry into the County's accounting system of record. The Annual Physical Inventory may be included in the Annual Report at the discretion of the Budget Director.

Sec. 2-9323. Preliminary Budget Forecast Quarterly submissions to President and Board.

(a) In order for the President to prepare the annual budget recommendation, each County Department and Agency shall prepare and submit to the Budget Director a Preliminary Budget Forecast on or before June 1, of each year or other date established by the Budget Director, whichever is earlier.

(b) Each County Department and Agency shall comply with the deadline established under this Section, and in the event a Department or Agency fails to do so, the Budget Director shall produce the relevant Preliminary Budget Forecast, and notify the President and the Board of Commissioners of the Department or Agency's failure to comply with this section.

(c) The President shall publish and submit to the Board, no later than June 30th of each year, a Preliminary Budget Forecast Report for the forthcoming fiscal year, which shall include, (1) data received from Preliminary Budget Forecasts; (2) a six-month assessment of expenditures by fund, including the appropriation for the current calendar year and a revised estimate of revenues for the current fiscal year; (3) an initial projection for the next year's expenditures and revenues; and (4) such additional information as the President so desires.

(a) Each County Department and Agency shall prepare a Quarterly Record wherein it shall define its mission and establish measurable goals for achieving desirable results for those who received its services and the taxpayers who pay for those services. Each County Department and Agency shall also develop clear strategies and timelines to achieve its goals. In addition, the Quarterly Record shall provide year to date budget information on expenses and revenues and analysis of any significant variances and impact on performance goals, as well as corrective measures to eliminate any budgetary shortfall by year-end if applicable.

(b) The Quarterly Record submission shall include, but not be limited to, specific and measurable performance indicators, with corresponding performance objectives and targets, for each departmental or agency activity that are impartial, quantifiable and that demonstrate progress to date. The President and/or his or her designee, prior to the submission of the first Quarterly Record by any County Department or Agency, shall meet with each County Department or Agency to determine the appropriate performance indicators and corresponding performance objectives and targets for such County Department or Agency. Notwithstanding anything to the contrary in this Section 2-932, the County Departments and Agencies shall prepare its Quarterly Records in accordance with the performance indicators and performance objectives determined in these meetings and as otherwise established by the President and/or his or her designee.

(c) The Quarterly Record submission shall also include a statement of purpose for the County Department or Agency, services and programs provided that are required by law, including the mandating law, statute or ordinance, and services and programs provided that are not required by law but that enhance County services.

The Quarterly Record submission shall clearly show the relationship between resources, County Departmental or Agency activities and the expected level of performance to ensure performance-based management and budgeting.

~~The Quarterly Record submission shall also include, but not be limited to, the following components:~~

- ~~(1) Staffing levels;~~
- ~~(2) Personnel expenditures, including employee overtime expenditures;~~
- ~~(3) Employee lost labor hours, including sick time usage and FMLA usage;~~
- ~~(4) Descriptions of proposed adjustments to existing service levels tied to reported performance indicators;~~

(d) Each County Department and Agency shall submit its Quarterly Record to the President and his or her designee no later than March 15, June 15, September 15 and December 15 each year.

(e) The President or his or her designee shall transmit each Quarterly Record submission received from County Departments and Agencies to the Board for Board review by April 1, July 1, October 1 and January 1 of each year.

(f) The President or his or her designee, the Chief Performance Officer and the Budget Director, shall review the Quarterly Record submissions and analyze performance data with a consideration of the Annual Executive Budget Recommendation to determine the effectiveness of strategies, program performance, and justification for continued, increased, or decreased funding.

(g) All offices and agencies of Cook County government, including, but not limited to, the Cook County Board of Commissioners, Cook County Health and Hospital System and the offices of the Cook County Sheriff, Cook County Treasurer, Cook County Board of Review, Cook County Assessor, Cook County State's Attorney, Cook County Clerk, Clerk of the Circuit Court of Cook County, the Chief Judge of Cook County and the Cook County Recorder of Deeds shall work with the Chief Performance Officer and Budget Director as requested in order to meet the timelines addressed herein. Each agency shall include a proposed Quarterly Submission format for the ensuing fiscal year along with their budget submission to the Department of Budget and Management Services, and be prepared to discuss this report to the Board of Commissioners during their annual budget hearing.

Sec. 2-9334. - Annual Budget Request Preparation and Submissions Quarterly meetings

(a) Each County Department and Agency shall submit to the President and Budget Director on or before August 15, of each year or at an earlier date as determined by the Budget Director, a Budget Request in such form and manner established by the Budget Director. In preparing the Budget Request form, the Budget Director shall take into account Performance-Based, Program-Based and Zero-Based Budgeting concepts.

(b) With its Budget Request, each County Department and Agency shall provide the following information in such format as is required by the Budget Director:

- (1) An organizational chart wherein all employment positions requested are accounted for;
- (2) A Program Inventory of the Department or Agency, which includes an allocation of all requested budgetary costs and all requested employment positions among the relevant functions of the Department;
- (3) Data associated with specific metrics for each program set forth in the Department's Program Inventory, including Outcome Metrics, Output Metrics and Efficiency Metrics;
- (4) The number of Persons projected to be served for each relevant program in Departments or Agencies that directly serve Persons external to County Government;
- (5) Estimated data relative to performance metrics applicable to the current budget year as of a date no greater than 30 days prior to the date of the submission of the Budget Request;
- (6) Estimated data for year-end in the current fiscal year;
- (7) Target data for the fiscal year for which the Budget Request is made; and
- (8) Such other data as is prescribed by the Budget Director to support the Budget Request and its final or modified inclusion in the President's proposed executive budget recommendation and appropriation bill.

(a). At the first Board meeting following the due date of Budget Requests, the Budget Director shall report to the Board the Agencies or Departments that have complied with the requirements set forth in this article and those Agencies or Departments that have not so complied.

(b) In the event a County Department or Agency fails to comply with the provisions of this Section, the Budget Director shall recommend to the President expenditures by fund for the forthcoming fiscal year, and provide an estimate of revenues for the forthcoming fiscal year, for such Department of Agency.

The President or his or her designee shall, on a quarterly basis, meet with County Departments and Agencies to discuss the Quarterly Record as well as the County Department or Agency's progress with respect to the chosen performance indicators and corresponding performance targets for priority outcomes.

Sec. 2-9345. - Budget review, recommendation and allocation.

(a). Each County Department and Agency shall prepare preliminary budget forecast estimates for review by the President Board or his designee on or before March 15, June 1 and September 15, of each year that will include analysis on expenditure and revenue variances in a form prescribed by the Budget Director. The Budget Director may provide guidance on the format of the reports and specify the due date.

(b). All offices and agencies of Cook County government, including, but not limited to, the Cook County Board of Commissioners, Cook County Health and Hospital System and the offices of the Cook County Sheriff, Cook County Treasurer, Cook County Board of Review, Cook County Assessor, Cook County State's Attorney, Cook County Clerk, Clerk of the Circuit Court of Cook County, the Chief Judge of Cook County and the Cook County Recorder of Deeds shall meet the timeline established by the Budget Director as requested. If any office or agency fails to comply, the Department of Budget and Management Services is authorized to estimate the preliminary forecast for any office or agency of Cook County government, and to notify the Board of Commissioners of such failure to comply.

(c). The President shall issue a preliminary budget forecast which shall be published on or before June 30th of each year and presented to the Cook County Board of Commissioners thereafter. This report shall issue an assessment of the fiscal condition of the County prior to the next year's budget cycle. The preliminary forecast shall provide a six-month assessment of expenditures by fund, including the appropriation for the current calendar year and a revised estimate of revenues for the current fiscal year. The preliminary forecast shall provide an initial projection for the next year's expenditures and revenues.

(da) Following review of the Budget Requests, The executive budget recommendation and proposed appropriation bill shall be presented by the President to the Cook County Board of Commissioners no later than October 31st of each year.

(eb) The President's executive budget recommendation and proposed appropriation bill shall be based on various budgeting approaches, including, but not limited to, Program-Based, Performance-Based and Zero-Based Budgeting Concepts.

These approaches shall include, but not be limited to, zero-based and performance-based budgeting concepts as outlined below:

Performance-Based Budgeting Concepts:

Determination of the total available resources;

Prioritization of desired outcomes;

Allocation of resources based on priorities and analysis;

Set measures of annual progress, monitor and review

Communication of performance results

~~Zero-Based Budgeting Concepts:~~

~~Breakdown expense activities into meaningfully identifiable unit costs~~

~~Identification of objectives or requirements of each program~~

~~Determination of the fundamental level of service and allocate resources based on that level of service~~

~~Examination of how an incremental level of funding can contribute to increase in production and services provided, with at least one alternative funding level, which shall be lower than the current fiscal year's appropriation~~

~~Assessment of the costs and benefits of each incremental level of funding accompanied by a detailed justification of said costs~~

~~Identification of budget priorities and aligning resource allocation to these objectives~~

~~Monitor and evaluate objectives in the budget~~

(c) At the direction of the Budget Director, Information derived generated from Program Inventories, program metrics, and performance-based, or zero-based and program-based budgeting concepts Budgeting approaches, shall be included and summarized in the departmental narrative, as part of the executive budget recommendation. Program Inventories, outlining the departmental and program purpose, program efficiency, program effectiveness, program outcomes, cost benefit analysis, target population, and service-level alternatives shall be included in the executive budget recommendation. Said summary shall also provide an explanation as to how the various budgeting concepts were considered and incorporated into the executive budget recommendation. In addition, any analysis conducted using the performance data in the Annual Report Quarterly Record that has an impact on proposed funding allocation may also be summarized in the executive budget recommendation. Each County Department and Agency shall be prepared to provide additional detail during the annual budget hearing process. that has an impact on proposed funding allocation shall be summarized in the executive recommendation. Said summary shall also provide an explanation as to how the above stated Zero-Based Budgeting concepts were considered and incorporated into the executive budget recommendation for those departments identified and subject to Zero-Based Budgeting. All offices and agencies of Cook County government, including, but not limited to, the Cook County Board of Commissioners, Cook County Health and Hospital System and the offices of the Cook County Sheriff, Cook County Treasurer, Cook County Board of Review, Cook County Assessor, Cook County State's Attorney, Cook County Clerk, Clerk of the Circuit Court of Cook County, the Chief Judge of Cook County and the Cook County Recorder of Deeds shall provide information requested in the budget process.

Sec. 2-9356. - Annual Report and Performance-Based Program Review.

(a) Within 45 days of Fiscal Year end, each County Department and Agency shall prepare an Annual Report in a form and manner as described by the Budget Director wherein the Department or Agency shall provide year-end values for the data for its performance metrics included as part of its annual Budget Request as described in Section 2-933. The Annual Report shall be sent to the President or his or her designee, and the Budget Director, who shall prepare a summary report of these values to be presented to the Board at a Board meeting to occur no later than the Month of March.

(b) The Annual Report Quarterly Record submission shall serve as the basis for performance based program reviews that shall be conducted by the Chief Performance Officer and Budget Director. Such reviews shall include the following:

- (1) A review as to whether the program is in conformance with the mission of the Department and Agency, its statutory authority and adopted budgetary priorities;

- (2) Zero-Based, Program-Based and Performance-Based budgeting concepts as set forth in Subsection 2-934(e) ;
- (3) Application of program workload measures, program efficiency measures, program effectiveness measures, program outcome measures and cost-benefit analysis; and
- (4) An analysis of the customer or client base served by the program and delivery of service alternatives.

(c) The President or his or her designee, the Chief Performance Officer and the Budget Director, shall review the Annual Report submissions and the Budget Director and Chief Performance Officer shall be charged with analyzing performance data to determine the effectiveness of strategies, program performance, and justification for continued, increased, or decreased funding in the forthcoming budget year.

(d) Each County Department and Agency shall work with the Chief Performance Officer and Budget Director to meet the timelines and substantive requirements provided for herein.

Sec. 2-9367. - Accountability and performance.

(a) Departments and Agencies shall be held accountable for the achievement of performance objectives, as outlined in the Annual Report Quarterly Record and Department heads and managers may be further accountable for the achievement of performance objectives through performance evaluation and other appropriate managerial tools.

(b) Management and staff shall employ progressive techniques to ensure continuous efficiency and effectiveness in County operations.

(c) Managers and staff shall not allow the expenditures for any line item for their department or agency to exceed the total amount appropriated for such line item by the approved budgets without express approval of the Board.

Effective date: This ordinance shall be in effect immediately upon adoption.