



COUNTY OF SAN MATEO
Inter-Departmental Correspondence

County Manager's Office

DATE: November 16, 2006
BOARD MEETING DATE: December 5, 2006
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Four-fifths vote

TO: Honorable Board of Supervisors

FROM: John Maltbie, County Manager *by Reyna Morales*

SUBJECT: Performance Incentives Program

RECOMMENDATION:

1. Adopt a Resolution authorizing the County Manager to implement a Performance Incentives Program recognizing and rewarding County programs that demonstrate outstanding customer service or program performance
2. Approve an Appropriation Transfer Request (ATR) to transfer \$100,000 from General Fund Reserves to Services and Supplies in the Non-Departmental budget unit to fund the first year of the Performance Incentives Program.

VISION ALIGNMENT:

Commitment: Responsive, effective and collaborative government

Goal(s): 21. County employees understand, support and integrate the County vision and goals into their delivery of services

The Performance Incentives Program contributes to this commitment and goal by recognizing County programs that reflect outstanding customer service or program performance.

BACKGROUND:

Outcome-Based Management (OBM) is the County's management system that was initiated in 1999 to track the progress of all County programs toward achieving the long-term commitments and goals identified through the Shared Vision 2010 community-wide process.

A Performance Incentives Workgroup made up of department representatives was formed by the OBM Program/Fiscal Subcommittee in 2004 to take OBM to "the next level" by developing an incentives program that provides awards to County programs that demonstrate outstanding customer service or program performance.

The workgroup's Performance Incentives Program was presented to and approved by the OBM Program/Fiscal Subcommittee on September 13th, and by the Executive Council on September 25th. In addition, a subcommittee of Executive Council met on October 17th to further define and enhance the program.

DISCUSSION:

The Performance Incentives Program enables the County to publicly recognize and highlight those programs that have a significant impact on outcomes. The program encourages continuous departmental improvement by communicating successful programmatic and customer service strategies Countywide.

As part of the Performance Incentives Program, departments self-select programs to submit for recognition in the following two categories: (1) Customer Service or (2) Program Performance for the prior fiscal year. Departments fill out an entry form located on the County Intranet and submit their entry to the County Manager's Office. The County's OBM Program/Fiscal Subcommittee evaluates the entries and makes a recommendation on selected programs to the Executive Council. Selected programs present their entries at an Executive Council and Board Outcome-Based Management and Budget Subcommittee meeting, and awards are presented at a Board of Supervisors meeting.

Specific information regarding application process, selection criteria, and submission requirements are detailed in the attached brochure.

Selected programs for the Customer Service and Program Performance Awards receive Countywide recognition (announcement, press release, website posting), recognition by the Board of Supervisors, recognition in the County budget book, and an individual letter of recognition to each program employee.

There is also a team-based cash award for selected programs. Programs that receive the Customer Service Award are awarded up to \$5,000 (depending on the size of the program and number of employees) to be used for any event/training that benefits the selected program's employees. Programs that receive the Program Performance Award are awarded between \$10,000 and \$50,000 (depending on the size of the program) to be used for direct program enhancement (which could include an event/training that benefits the selected program's employees).

The deadline for department submission of entry forms is January 19th, 2007 and the Board will present the awards in March 2007. A thorough evaluation of the program will be conducted next year to identify and prioritize needed improvements. In future

years, awards will be presented in October or November recognizing performance from the prior fiscal year ending June 30th.

FISCAL IMPACT:

The program will be funded by General Fund Reserves to a maximum total of \$100,000 per year for all awards in both categories. Budget appropriations for FY 2006-07 are included in the attached Appropriation Transfer Request (ATR). Award costs for out-years will be included in future budget requests.

Performance
Incentives
Workgroup

Co-chairs:
Peter Bassett
Donna Vaillancourt

Dorothea Curtin
Jimmy Forbis
Anita Galang
Nancy Hetrick
Bob Livengood
Brenda Santos
Carolyn Welch



County of San Mateo
400 County Center
Redwood City, CA 94063
Phone: 650-363-4123
Fax: 650-363-1916



Award Background

Outcome Based Management (OBM) was initiated in 1999 to track the progress of all County programs toward achieving the long-term commitments and goals identified through the Shared Vision 2010 community-wide process. A Performance Incentives Workgroup was formed in 2004 to strengthen the OBM process. The workgroup recommended the development of awards for County programs that demonstrate outstanding customer service and program performance.

Process for Receiving an Award

Call for entries takes place annually in the Fall for the prior fiscal year ending June 30th. Departments self-select programs to submit for recognition that reflect outstanding customer service or program performance. An eligible program is one that provides an ongoing service to the public or internal customers.

Entry Steps:

- ★ Fill out the official entry form located on the County Intranet.
- ★ Construct your entry based on the criteria and submission requirements found in this brochure as well as on-line.
- ★ Your entry must be no more than two 8.5 by 11 pages
- ★ E-mail your entry to the County Manager's Office by due date
- ★ The County's OBM Program/Fiscal Subcommittee will evaluate the entries and make a recommendation on selected programs to the Executive Council. Selected programs will present their entries at an Executive Council meeting.
- ★ Awards will be presented at a Board of Supervisors meeting.

Customer Service Award

★ Program Purpose

To recognize County programs that demonstrate outstanding customer service and to provide a mechanism for elevating and communicating successful customer service strategies countywide.

★ Selection Criteria

Program must:

- Have a clear and measurable goal for outstanding or improved customer service
- Develop and implement specific customer service improvement strategies
- Demonstrate innovation and/or resourcefulness in providing outstanding customer service
- Demonstrate correlation between customer service improvements and program outcomes.

★ Entry Categories

There are two categories for entry:

- Programs that serve internal departments
- Programs that serve external customers

One program will be selected in each category. Additional programs may be selected for Honorable Mention.

★ Submission Requirements

The following information is required for each entry:

- Description of program, services provided, and population served
- Statement of customer service challenge and solution
- Methods used to measure and monitor customer satisfaction
- Impact of customer service improvements on program effectiveness
- Plan for sustaining high levels of customer satisfaction

★ Awards

Selected programs will be awarded up to \$5,000*

Honorable Mention programs receive up to \$1,000*

Countywide recognition for selected programs (Countywide announcement, press release, website posting)

Recognition by Board of Supervisors

Recognition in County budget book

Individual letter of recognition

* Award is based on the number of program employees. Award may be used for any event/training that benefits the selected program's employees.

Program Performance Award

★ Program Purpose

To recognize County programs that show significant improvement in performance measure results or that sustain a high level of performance over a period of time.

★ Selection Criteria

Program must:

- Show significant improvement in performance measure results or a high level of performance over a period of time
- Demonstrate significant impact on outcomes
- Demonstrate innovation, resourcefulness and/or collaboration in achieving goals
- Demonstrate alignment with County goals and Shared Vision 2010

★ Entry Categories

There are two categories for entry:

- Large Programs (with 30 or more employees)
- Small Programs (with less than 30 employees)

One program will be selected in each category. Additional programs may be selected for Honorable Mention.

★ Submission Requirements

The following information is required for each entry:

- Description of program services, goals and objectives
- Methods used to measure performance
- Specific actions taken to improve performance measure results
- Impact of program results on department level outcomes and County goals
- Plan for sustaining high performance

★ Awards

Large Program award is \$20,000-\$50,000*

Small Program award is \$10,000-\$15,000*

Honorable Mention programs receive \$1,000-\$5,000*

Countywide recognition for selected programs (Countywide announcement, press release, website posting)

Recognition by Board of Supervisors

Recognition in County budget book

Individual letter of recognition

* Award is based on the size of the program. Award must be used for direct program enhancement which could include any event/training that benefits the selected program's employees.

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

*** * * * ***

RESOLUTION AUTHORIZING THE COUNTY MANAGER TO IMPLEMENT A PERFORMANCE INCENTIVES PROGRAM RECOGNIZING AND REWARDING COUNTY PROGRAMS THAT DEMONSTRATE OUTSTANDING CUSTOMER SERVICE OR PROGRAM PERFORMANCE

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, County implementation of the Outcome-Based Management (OBM) system began in December 1999 during the Shared Vision 2010 community process. OBM was implemented to track the progress of all County programs toward achieving the long-term commitments and goals identified through the Shared Vision process; and

WHEREAS, the County initiated Program Reviews in 2004 to determine whether programs were contributing effectively to the County's goals, and to explore how the County could further strengthen its OBM system to provide increasingly improved processes and information sharing at all levels of the organization; and

WHEREAS, one of the recommendations that came out of the Program Reviews was to explore outcome-based performance incentives for high performing programs; and

WHEREAS, in 2006, a Performance Incentives Workgroup made up of

department representatives recommended the implementation of a Performance Incentives Program to encourage effective management and creative approaches to improving service delivery; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the County Manager is authorized to implement a Performance Incentives Program recognizing and rewarding County programs that demonstrate outstanding customer service or program performance.

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**COUNTY OF SAN MATEO
APPROPRIATION TRANSFER REQUEST**

REQUEST NO.
ATR7-010

DEPARTMENT
County Manager's Office

DATE
11/16/06

1. REQUEST TRANSFER OF APPROPRIATIONS AS LISTED BELOW:

	C O D E S		AMOUNT	DESCRIPTION
	FUND OR ORG.	ACCOUNT		
From	80110	8612 /	\$100,000 /	Non-departmental Reserves
To	80110	5927 /	\$100,000 /	Program Activities Expense

Justification. (Attach Memo if Necessary)

To appropriate General Fund Reserves for the purpose of establishing awards and program costs for the Performance Incentives Program (see Board memo). ✓

DEPARTMENT HEAD
BY: *Jim Saas* DATE: 11/16/06

2. Board Action Required Four-Fifths Vote Required Board Action Not Required

COUNTY CONTROLLER
BY: *N.A.* DATE: 11.16.06

3. Approve as Requested Approve as Revised Disapprove

COUNTY MANAGER
BY: *Royce Farales* DATE: 11/27/06

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BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

RESOLUTION TRANSFERRING FUNDS

RESOLUTION NO. _____

RESOLVED, by the Board of Supervisors of the County of San Mateo, that

WHEREAS, the Department hereinabove named in the Request for Appropriation, Allotment or Transfer of Funds has requested the transfer of certain funds as described in said Request; and

WHEREAS, the County Controller has approved said Request as to accounting and available balances, and the County Manager has recommended the transfer of funds as set forth hereinabove:

NOW, THEREFORE, IT IS HEREBY ORDERED AND DETERMINED that the recommendations of the County Manager be approved and that the transfer of funds as set forth in said Request be effected.

Regularly passed and adopted this _____ day of _____, 19____.

Ayes and in favor of said resolution:

Noes and against said resolution:

Supervisors: _____

Supervisors: _____