

Performance And Capital Investments (PCI)



TYPES OF INVESTMENTS

- Performance Improvement
- Facilities Improvement
- Computer & Technology Changes
- Special Emphasis Areas
- Law Changes
- Other Costs Not Covered in Base Request



HOW INVESTMENTS ARE SHOWN IN THE RJM

Increases in MPU Values

Increases in NPS Costs

Increases in Non-Workload Staff Years (i.e. Benefit Payment Control or Internal Security)

Mandatory Organizational Changes Which Increase Staff Years or NPS

Increases in Travel Costs Above Base Budget

Business Process Improvements

AUTOMATIC BUDGET INCREASES UNDER RJM

- **Salary Increases**
- **Workload Changes**
- **Cost of Living &
Inflationary Increases**
- **Changes in Hours of
Work**
- **Other Necessary Cost
Increases**

FUNDING METHODS FOR CAPITAL IMPROVEMENT COSTS

METHOD #1

Fund the total cost in the target year

METHOD #2

Spread costs over several years

In the 1st year, these would be added costs

In the “out years”, costs become part of the base budget guaranteeing funding in subsequent years



STEPS FOR MAKING A PCI REQUEST

- Develop Narrative
- Incorporate Narrative & Any Required Forms Into RJM
- Prepare a PCI Summary Form
- Submit PCI Request
- Regional Office Reviews PCI in RJM Module II

PERFORMANCE & CAPITAL INVESTMENT EVALUATION CRITERIA

NARRATIVE EXPLANATION OF CHANGE

PERFORMANCE IMPROVEMENT

CUSTOMER SERVICE IMPACT

CAPITAL IMPROVEMENT

**COST BENEFIT/COST AVOIDANCE
ANALYSIS**

ADDITIONAL CREDIT



I. NARRATIVE EXPLANATION OF CHANGE

- UI Related Information**
- Measurable Improvements Clearly Stated**
- Compatibility with Agency/ETA Strategic Plan**

II. PERFORMANCE IMPROVEMENT

Specify Improvement Area

Qualified Measurements Used to Identify Improvement

Time Line

Total Project Costs & Reason Why it Can't be Funded by Current Operating Funds

III. CUSTOMER SERVICE IMPACT

- **Benefits of Change on Customer Service Relationship**
- **Consequences on Customer Service if not Funded**
- **Number of UI Customers Affected by Change**
- **Exportable Improvements for Other States to Adopt**

IV. CAPITAL IMPROVEMENTS

- Project Description**
- How Improvements Fulfill the Need**
- Operational Consequences Without Improvements**
- How Strategic Design Fits with Automation Plan**
- Total Project Costs & Reason Why it Can't be Funded by Current Operating Funds**

V. COST BENEFIT / COST AVOIDANCE ANALYSIS

- Illustrate UTF Savings or Revenues, or Cost Avoidance
- Provide Detailed Dollar Calculations

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VI. ADDITIONAL CREDIT

- Participant of Multi-State Investment Project

THE PCI EVALUATION PROCESS

Each PCI Graded According to Evaluation Factors

Separate Factors Will Be Set for Each Category (ex: performance improvement or capital improvement)

Panel of State & Federal Staff Will Review & Grade PCIs Within its Category

TIME LINE

- ❖ **States Submit PCI January 2010, 2 Months Prior to RJM Submission -- This allows RO Review & State Rework**
- ❖ **RJM Submission Due end of February 2010 – Including Refined PCI**

PERFORMANCE AND CAPITAL INVESTMENT EVALUATION CRITERIA

- NARRATIVE EXPLANATION
- PERFORMANCE IMPROVEMENTS
- CAPITAL IMPROVEMENTS
- CUSTOMER SERVICE
- COST BENEFIT / COST AVOIDANCE
- ADDITIONAL CREDITS