

Minutes of the Joint Legislative Oversight Committee  
December 3, 2004  
East Conference Room, J.R. Williams Office Building  
Boise, Idaho

Co-chair Senator Margaret Henbest called the meeting to order at 10:10 a.m. Attending the meeting were Senators Shawn Keough, John Andreason, and Bert Marley, and Representatives Maxine Bell and Donna Boe. Representative Debbie Field joined the meeting in progress. Also present were staff members Rakesh Mohan, Director, and Margaret Campbell, Administrative Coordinator, and all other OPE staff.

Co-chair Henbest welcomed those in attendance, including Representatives Wendy Jaquet, Ken Roberts, Jana Kemp, and Russ Mathews. She also acknowledged representatives from the agencies interviewed for the report, and the attendance of Jeff Youtz, Budget and Policy Analysis, Ray Ineck, Legislative Audits, Randy Tilley, Division of Financial Management, and Steve Allison, Office of the State Controller.

**REPORT RELEASE: *STRATEGIC PLANNING AND PERFORMANCE MEASUREMENT***

Mr. Rakesh Mohan, Director, said the committee had requested an evaluation of the state's strategic planning and performance measurement because of concerns about the usefulness of the information to legislators. The office had provided five recommendations to improve the process, and had divided the recommendations into categories based on resource requirements which could be implemented at different times. Mr. Chris Shoop and A.J. Burns, Senior Performance Evaluators, presented a summary of the report findings and recommendations.

Representative Bell said she was one of the legislators who never read the *Governor's Performance Report* thoroughly and never felt what she read was worth her time. She had wondered why we did the process. She asked about Idaho's stage of progression in performance measurement. Mr. Shoop said that many of the components were in place and integrating some of the recommendations would strengthen the process.

Senator Andreason said the large amount of information in the *Governor's Performance Report* made it difficult to read. Legislators do best with short, concise reports on individual issues. He suggested developing individual germane committee reports rather than putting all the information in one book.

Senator Keough said she supported strategic planning and performance measurement, and felt a useful process would help JFAC in setting agency budgets, especially in tight budget years. She asked whether performance measures could be more inter-connective with the budget setting process. Co-chair Henbest called on Mr. Jeff Youtz, Budget and Policy Analysis, to address her question and respond to the report.

Mr. Youtz complimented OPE staff on their work. He said the budget book currently contained performance information, but the information was primarily workload/output oriented. He thought JFAC would gain tremendously in their ability to set budgets with useful performance information. Mr. Youtz said he fully endorsed the performance measurement process and recommendations made in the report—particularly the recommendation of direct legislative involvement and feedback. He said agencies would have a bigger stake in the development of their performance measures if they report their measures to germane committees.

Senator Marley asked for approximate costs to implement the recommendations. Mr. Youtz said he did not think it would cost additional money to involve germane committees, and to him, that was the most important step. He said additional resources would be needed to provide staff oversight for the quality of information reported. Mr. Mohan agreed and said that oversight would assure legislators that agency information was accurate. He said costs would be determined by the number of agencies reviewed each year.

Mr. Mohan said he did not believe changing the way information is currently reported would require any additional resources, even though some agencies have disagreed. Representative Bell agreed and said the agencies need to stop doing the current process and redirect their resources to provide information that is meaningful. Representative Field voiced her agreement and said less is more.

Co-chair Henbest invited Mr. Randy Tilley, Division of Financial Management, to address the committee. Mr. Tilley thanked OPE for conducting the study. He said the uncertainty of what legislators needed in performance measures had made the process difficult for agencies, and providing germane committee involvement and feedback would be very helpful. Mr. Tilley said focusing on specific measures, as the report recommendations suggest, and establishing a dialogue with germane committees may help agencies get to core issues. He cautioned, however, that looking at a limited number of issues may not provide a complete picture of agency performance.

In response to questions about whether Idaho Code needed to be changed, Mr. Tilley said he thought the code was restrictive. He suggested modifications to the requirement of four years of projected results and four years of history for specific items in the strategic plan.

**Representative Field moved to accept the report and directed OPE to develop statutory changes to the strategic planning and performance measurement as recommended in the report, working with Budget and Policy Analysis and the Division of Financial Management, and to have changes ready for consideration in the 2005 Legislative Session. Representative Bell seconded the motion and it passed unanimously by voice vote.**

The committee asked if the office could provide a model of the new performance report. They also discussed having a few agencies pilot the model. Mr. Mohan said the office, in consultation with Budget and Policy Analysis and the Division of Financial Management, could look at developing pilot programs for training, germane committee involvement, and legislative staff oversight of performance measures, if the Legislature decided to implement those programs. He

said the changes to reporting performance measures could be done statewide without the need of a pilot program.

Senator Marley asked for clarification on what recommendations the statutory changes would include. In discussion, the committee decided to draft legislation to remove the restrictiveness of the statute. They also decided to include Recommendation 1–4 in the process while waiting on Recommendation 5 to see how the program works.

*(Representative Bell left for the remainder of the meeting.)*

#### **OTHER BUSINESS**

Co-chair Henbest said the proposed FY2006 OPE budget was a maintenance budget with a one-time replacement of equipment and asked Mr. Mohan to further elaborate. Mr. Mohan discussed specific details of the maintenance budget. He said he was pleased with how well the committee and the Legislature have received recent reports, and provided examples of how the demand for performance evaluations had increased. To meet legislative demand, the committee may wish to increase office resources by approving additional FTEs and/or additional monies for consultants.

The committee discussed adding two FTEs to the staff—one evaluator and one position that would assist evaluators and the administration of the office.

**Senator Marley moved to approve the FY2006 maintenance budget and support a decision to try to increase staff at OPE. Senator Keough seconded the motion.**

Senator Keough said she thought it was important for the committee to make a statement about the value of performance evaluation work. She said legislative staff performed a vital function for the citizen Legislature and their constituents in making government more effective, and she supported a decision to take the request to the Joint Finance Appropriations Committee, who will base their decision on a broader prospective.

**The motion passed unanimously by voice vote.**

*The meeting adjourned at 11:45 a.m.*