



Office of
Financial Management
STATE OF WASHINGTON

Activity Inventory Performance Measure Assessment

Washington State Department of Community,
Trade & Economic Development (CTED)

Local Government

June 8, 2007

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Cyndee Baugh

Based on a review of the following: the agency strategic plan, website, GMAP presentations, budget activity inventory and an interview with agency participants.

Current Strengths and Good Practices

- Most of the performance measures are focused on results and outcomes.
- Generally, the language of the performance measures is understandable, even though some could benefit from some examples or notes in PMT.
- Current data was available on many annual measures.
- Most of the measures reported to OFM are also regularly tracked and discussed in agency GMAP sessions as a part of strategic plan performance reviews.

Budget Activity/Performance Measure Comments and Potential Improvements

- There are 8 budget activities not associated with any performance measures (slides 6-8).
- CTED would like to eliminate a measure that tracks the number of methamphetamine labs shut down and replace it with one that tracks the number of drug trafficking organizations disrupted. Only one data point exists for the new measure, and 5 budget activities are relying on this measure to tell the story of their performance. The annual reporting cycle means it will not yield much information for a few years to come.
- The measurement/target confusion coming from the organizational split off of the public works section (slide 16) needs to be resolved quickly. The performance measure should reflect the entire agency contribution to community housing infrastructure investments and the associated construction-related jobs, not just the contributions from one division or the other.

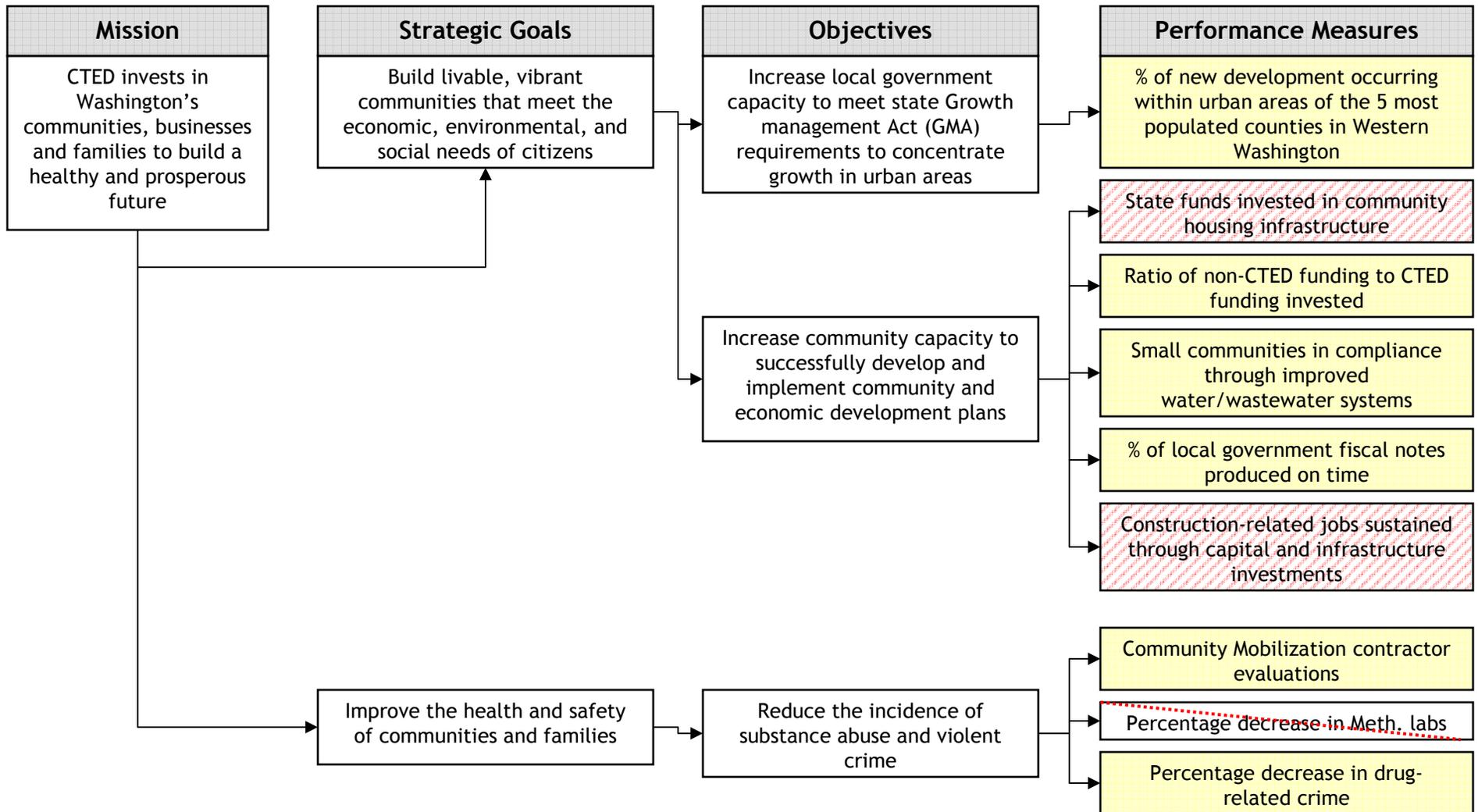
Analysis of Current Activity Measure Data

- The growth management/urban area development measure (slide 14) is the only one with enough data to perform a level of analysis.
 - This measure exhibits a stable and predictable increasing (desirable) trend that should be expected to continue unless a change is made to the system.

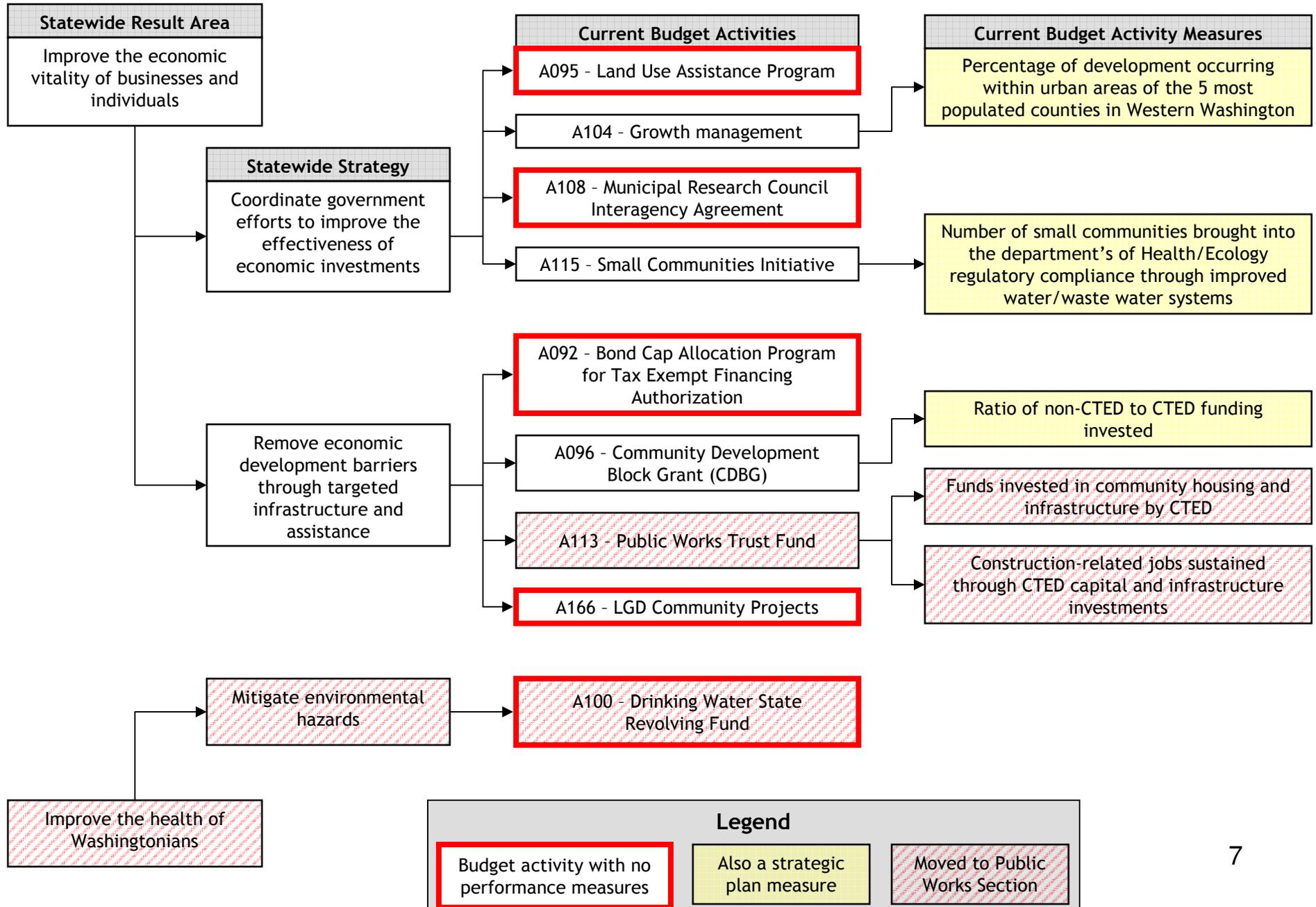
Agency Comments and Future Actions

What?	Who?	By When?
1. Recommend budget activity consolidation to OFM.	Nancy Ousley	June 20, 2007
2. Review and identify key performance measure per budget activity. Local Government will strive for outcome measures, keeping in mind that key input measures are also essential.	Managers	July 15, 2007
3. Identify one agency infrastructure performance measure (possibly segmented by division/program)	Managers	July 15, 2007
4. Identify data sources internal and external to Local Government (some data is obtained through service providers - contracts).	Managers	July 20, 2007
5. Incorporate new or updated performance measures into OFM performance measure tracking system.	Cyndee Baugh & Roger Horn	August 1, 2007
6. Include measures in Performance Development Plan and cascade to staff as appropriate.	Managers	PDP Interim Review

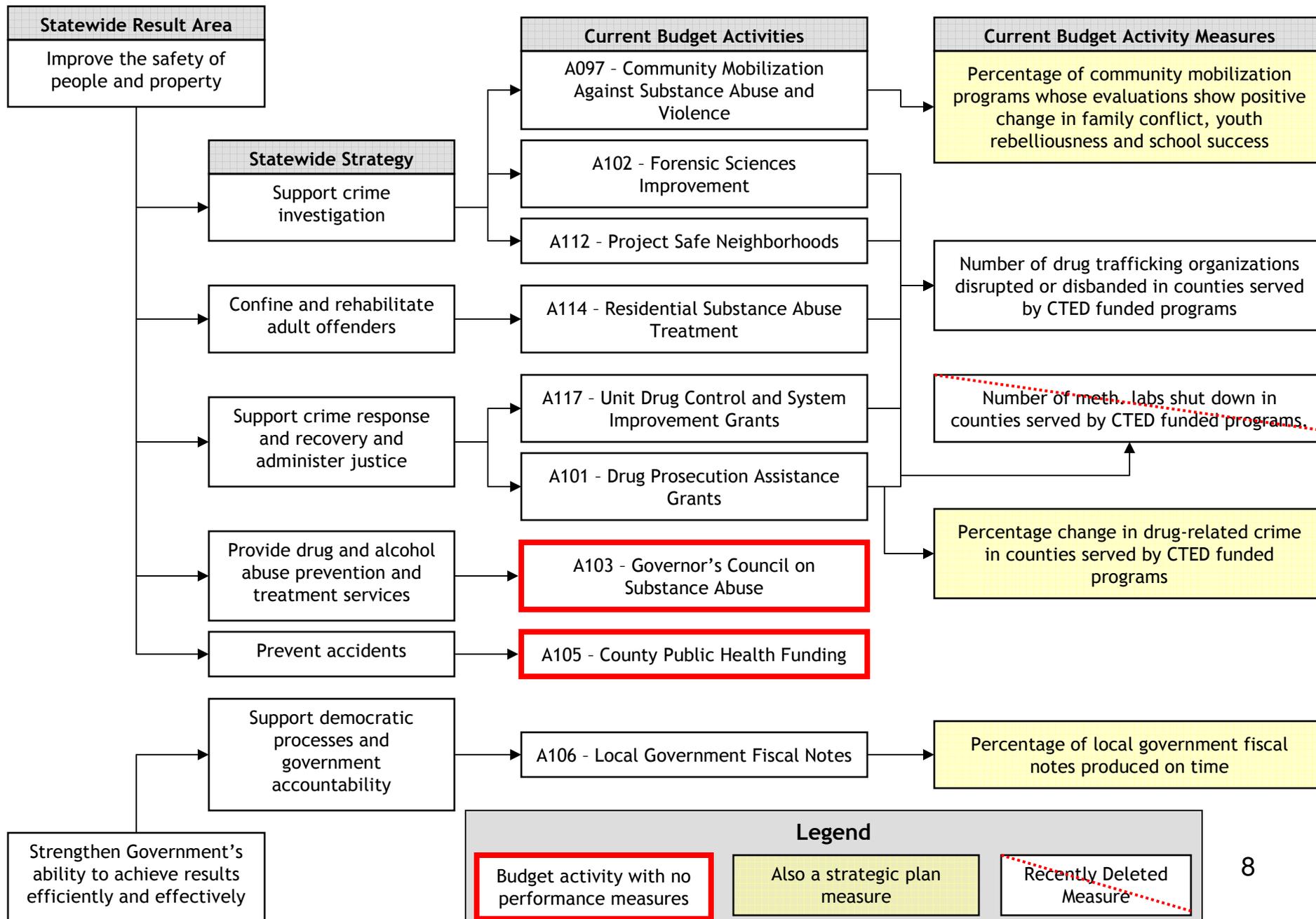
Overview of Strategic Planning & Performance Measure Alignment



Budget Activity & Performance Measure Linkages

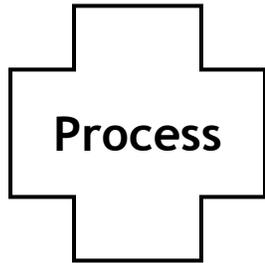


Budget Activity & Performance Measure Linkages (cont.)



Strategic Plan and Activity Measure Perspectives

⑤ Process characteristics the customers/stakeholders want



⑥ Process characteristics the agency wants

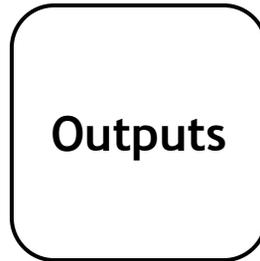
Ratio of non-CTED to CTED funding invested

⑥

Percentage of local government fiscal notes produced on time

⑥

③ Product/service attributes customers/stakeholders want

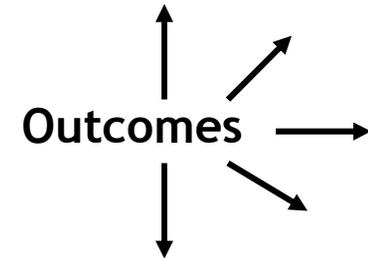


④ Product/service attributes the agency wants

Number of small communities brought into the department's of Health/Ecology regulatory compliance through improved water/waste water systems

③

① Customer/stakeholder desired outcomes



② Agency desired outcomes

Percentage of development occurring within urban areas of the 5 most populated counties in Western Washington

①

Percentage of community mobilization programs whose evaluations show positive change in family conflict, youth rebelliousness and school success

②

Percentage change in drug-related crime in counties served by CTED funded programs

②

Construction-related jobs sustained through CTED capital and infrastructure investments

②

Number of drug trafficking organizations disrupted or disbanded in counties served by CTED funded programs

①

Activity Measure - Block Grant CTED Investment Ratio

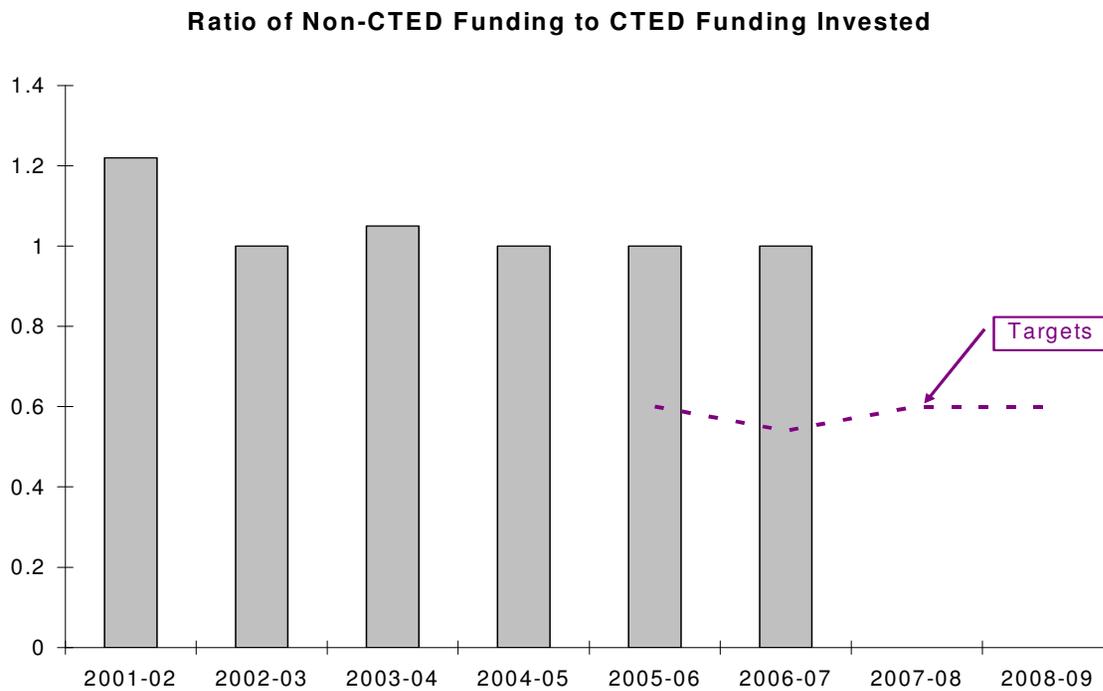
Performance Measure Description: Measures the ratio of community financial matching funds to CTED funding in the Community Development Block Grant Program.

Budget Activity Links: A096 - Community Development Block Grant (CDBG)

Category of Measure: Process-Level

Analysis of Variation: Preliminary analysis indicates the variation is very stable and predictable around a median of a 1 to 1 ratio.

Analysis of Targeted vs. Actual Performance: Actual performance has exceeded targets so much that either the target is obsolete, or it appears the intent of the program is to reduce the ratio.*



Comments About Desirable Characteristics

Relevance: Not clear how the ratio of matching funds relates to the purpose and results of the program.

Timeliness: Data from the most recently completed data is available.

Understandability: Ratios can be difficult to understand if the numerators and denominators are not clear.*

Reliability: Should be good since matching fund verification is a part of the grant application/verification process.

Comparability: Unknown

Cost Effectiveness: The data for the calculation is already part of the grant application process.

General Comments & Explanations:

Agency Comments:

- Title will be modified, to include (leverage other funds), clarifying performance measure.
- Target will be re-established - Target ratio will be 1:1.1
- As an option to consider: Refocus this measure on "CDBG Funding Partnerships": Show the total number of projects funded by Community Development Block Grant dollars. This will show the amount of CTED Community Development Block Grant funding compared to the amount leveraged from other sources including loans (local, USDA-RD, DWSRF, PWB) - which tells the partnership story. It would be interesting to show how much is loans versus grants because the grants piece is how we help keep the rates affordable.

Activity Measure - Community Mobilization Evaluation Results

<p>Performance Measure Description: No additional explanation needed.</p>	<p style="text-align: center;">Percentage of Community Mobilization Programs Whose Evaluations Show Positive Change in Family Conflict, Youth Rebelliousness, and School Success</p> <table border="1"> <caption>Chart Data</caption> <thead> <tr> <th>Year</th> <th>Actual Performance (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>2003-04</td> <td>94</td> <td>-</td> </tr> <tr> <td>2004-05</td> <td>95</td> <td>-</td> </tr> <tr> <td>2005-06</td> <td>95</td> <td>-</td> </tr> <tr> <td>2006-07</td> <td>-</td> <td>95</td> </tr> <tr> <td>2007-08</td> <td>-</td> <td>70</td> </tr> <tr> <td>2008-09</td> <td>-</td> <td>75</td> </tr> </tbody> </table>	Year	Actual Performance (%)	Target (%)	2003-04	94	-	2004-05	95	-	2005-06	95	-	2006-07	-	95	2007-08	-	70	2008-09	-	75
Year		Actual Performance (%)	Target (%)																			
2003-04		94	-																			
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2007-08	-	70																				
2008-09	-	75																				
<p>Budget Activity Links: A097 - Community Mobilization Against Substance Abuse and Violence</p>																						
<p>Category of Measure: Outcome</p>																						
<p>Analysis of Variation: Not enough data for much analysis, but there doesn't appear to be much variation.</p>																						
<p>Analysis of Targeted vs. Actual Performance: Current performance meets or exceeds current and future targets.</p>																						

Comments About Desirable Characteristics		<p>General Comments & Explanations:</p> <p><u>Agency Comments</u></p> <ul style="list-style-type: none"> • Performance measure changed - measure from 2003-2006 was % of contractors successfully implementing the evaluation tool. • Evaluating wording of performance measure as well as targets - Percent of Community Mobilization Programs Whose Evaluations Show Positive Change in Family Conflict, Youth Rebelliousness and School Success.
<p>Relevance: Good</p>	<p>Timeliness: Current data for 2006-07 is not yet available.</p>	
<p>Understandability: Good, even though the measure attempts to track many subjective and unquantitative things.</p>	<p>Reliability: Depends greatly on the quality and universality of the operational definitions of the unquantifiable terms and survey methods.</p>	
<p>Comparability: Unknown</p>	<p>Cost Effectiveness: Someone has to evaluate and compile all the evaluation data from the different programs.</p>	

Activity Measure - Disruption of Drug Trafficking Organizations

Performance Measure Description: No additional explanation needed.

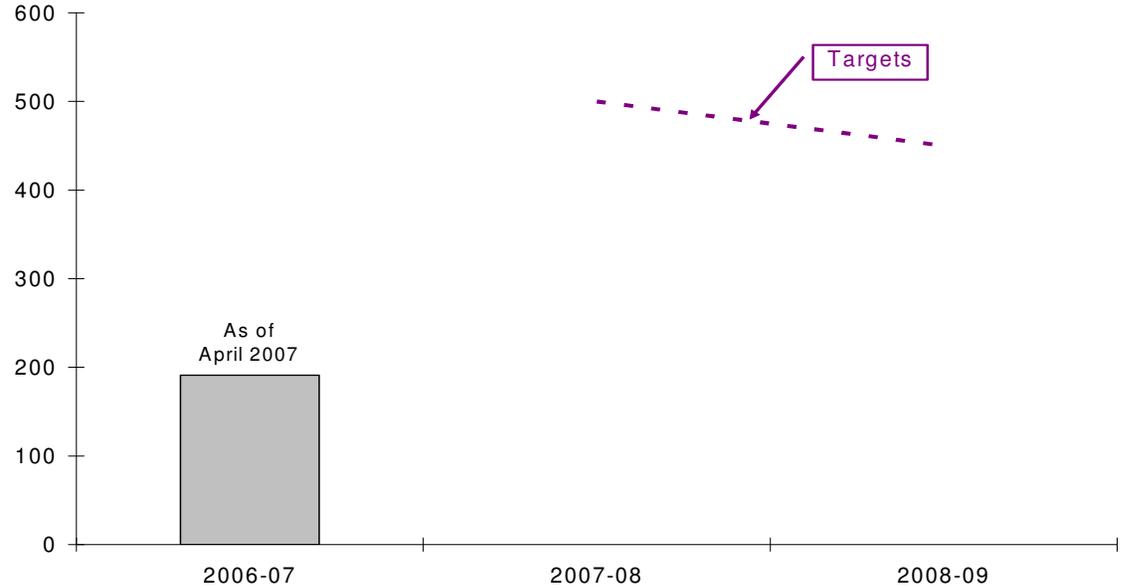
Budget Activity Links: A101 - Drug Prosecution Assistance Grants, A102 - Forensic Sciences Improvement, A112 - Project Safe Neighborhoods, A114 - Residential Substance Abuse Treatment, A117 - Unit Drug Control and System Improvement Grants*

Category of Measure: Outcome

Analysis of Variation: No analysis is possible with only one data point.

Analysis of Targeted vs. Actual Performance: Impossible to evaluate with only one incomplete year reported.

Number of Drug Trafficking Organizations Disrupted or Disbanded in Counties Served by CTED Funded Programs



Comments About Desirable Characteristics

Relevance: This is an intermediate outcome. There are many other factors beyond CTED's performance and span of control that can influence this data.

Timeliness: The annual reporting cycle makes sense for this type of data, but it will take many years to have enough data to tell a convincing budget performance story.*

Understandability: What constitutes a "Drug Trafficking Organization" needs to be defined in the PMT notes.

Reliability: Good

Comparability: CTED compares the taskforces within four groupings.

Cost Effectiveness: Unknown

General Comments & Explanations:

- There are 5 budget activities depending on the data from this measure to tell their performance story. Is this really the most relevant measure for all these activities? Drug Prosecution, Unit Drug Control?—probably. Safe Neighborhoods?—maybe Forensic Sciences, Substance Abuse?—not so sure.
- With only one incomplete data point so far, this is a short and not very compelling story.

Activity Measure - Change in Drug-Related Crime

Performance Measure Description: Money from CTED pays for specially trained prosecutors who focus on prosecuting high-level drug dealers.

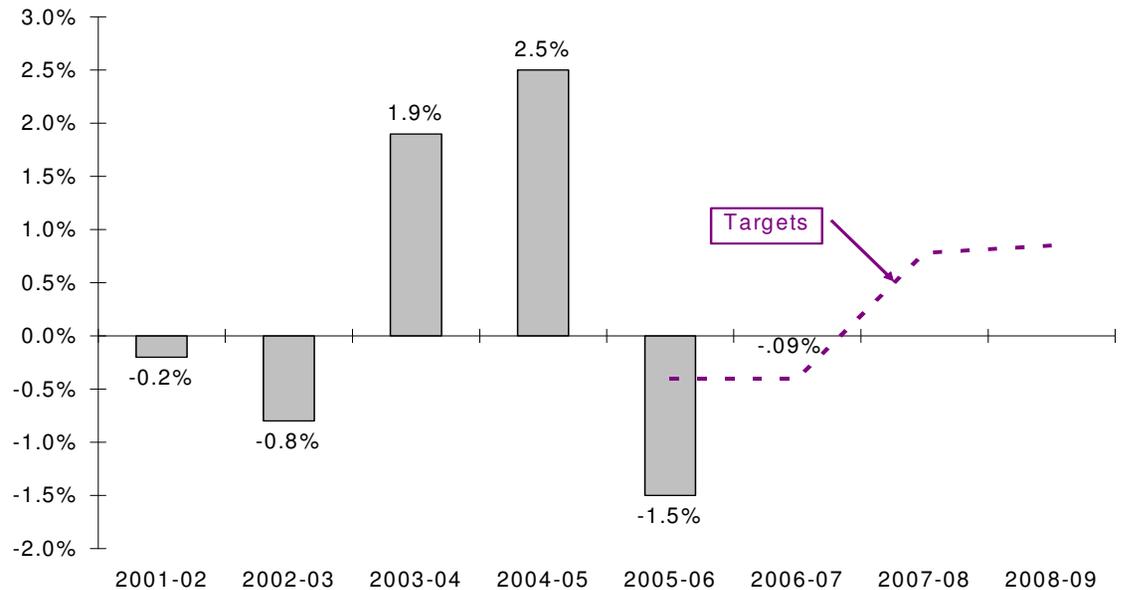
Budget Activity Links: A101 - Drug Prosecution Assistance Grants

Category of Measure: Outcome

Analysis of Variation: Not enough data for much analysis, but the variation appears to be fairly stable around a median value of -0.1% .

Analysis of Targeted vs. Actual Performance: No targets exist in PMT for 2001-2005. In 2006-07, the actual data was better than the target.

Percent Change in Drug Related Crime in Counties Served by CTED Funded Programs



Comments About Desirable Characteristics

Relevance: Good

Timeliness: Data is available for the most recently completed year, and historical data was also available.

Understandability: The definition of "Drug-Related" crime will need to be operationally defined in PMT.

Reliability: Depends greatly on the consistent application of the operational definition of "drug-related crime."

Comparability: Resources are deployed to the counties with the highest drug related crimes. Comparison to the other counties would not be valid.

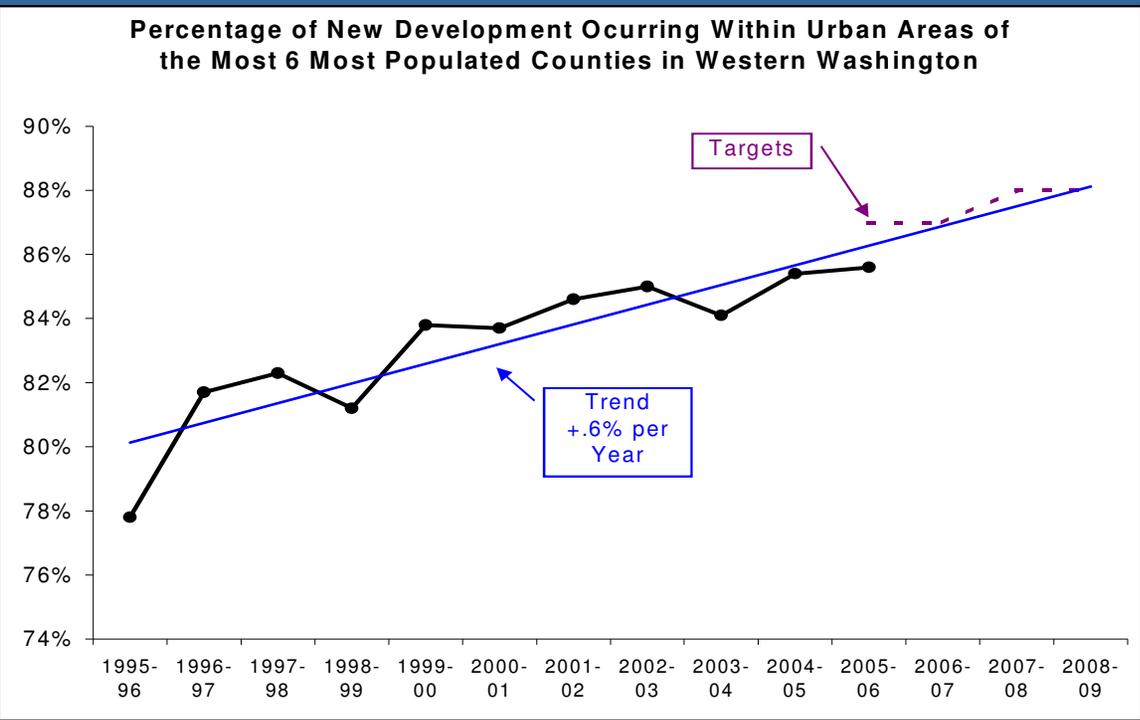
Cost Effectiveness: Good - Data come from annual WA Assoc. of Prosecuting Attorney's report to the Legislature.

General Comments & Explanations:

CTED will be looking at other measures included in the annual report.

Activity Measure - Development in Urban Areas

<p>Performance Measure Description: CTED provided assistance to county governments (Pierce, King, Kitsap, Snohomish, Thurston and Clark) to assist in Growth Management Act planning.</p>
<p>Budget Activity Links: A104 - Growth Management</p>
<p>Category of Measure: Outcome</p>
<p>Analysis of Variation: The data exhibits a stable and predictable trend, increasing in the desired direction at a rate of about .6% per year.</p>
<p>Analysis of Targeted vs. Actual Performance: The targets for 2006-09 should be achievable if the trend continues.</p>



Comments About Desirable Characteristics	
<p>Relevance: Good</p>	<p>Timeliness: The data for the most recently completed year was not available at the time of this assessment.</p>
<p>Understandability: The 6 counties should be identified in the published notes in PMT.</p>	<p>Reliability: The reliability of this measure is affected by the annexation of rural land by nearby urban communities.</p>
<p>Comparability: Data is not available - Other counties not receiving resources are not required to collect data on this subject.</p>	<p>Cost Effectiveness: Unknown</p>

<p>General Comments & Explanations:</p> <ul style="list-style-type: none"> • These six counties represent 65% of the 2000 population and 70% of the growth since 1996.
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Activity Measure - Local Government Fiscal Note Timeliness

<p>Performance Measure Description: CTED analyzes legislation affecting local governments and prepares fiscal notes for legislative deliberations.</p>	<p style="text-align: center;">Percentage of Local Government Fiscal Notes Produced On Time</p> <table border="1"> <caption>Data for Percentage of Local Government Fiscal Notes Produced On Time</caption> <thead> <tr> <th>Fiscal Year</th> <th>Percentage On Time</th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>1999-00</td> <td>48%</td> <td></td> </tr> <tr> <td>2000-01</td> <td>0%</td> <td></td> </tr> <tr> <td>2001-02</td> <td>41%</td> <td></td> </tr> <tr> <td>2002-03</td> <td>71%</td> <td></td> </tr> <tr> <td>2003-04</td> <td>79%</td> <td></td> </tr> <tr> <td>2004-05</td> <td>86%</td> <td></td> </tr> <tr> <td>2005-06</td> <td>29%</td> <td>50%</td> </tr> <tr> <td>2006-07</td> <td>69%</td> <td></td> </tr> <tr> <td>2007-08</td> <td>42%</td> <td>42%</td> </tr> <tr> <td>2008-09</td> <td>42%</td> <td>42%</td> </tr> </tbody> </table>	Fiscal Year	Percentage On Time	Target	1999-00	48%		2000-01	0%		2001-02	41%		2002-03	71%		2003-04	79%		2004-05	86%		2005-06	29%	50%	2006-07	69%		2007-08	42%	42%	2008-09	42%	42%
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<p>Budget Activity Links: A106 - Local Government Fiscal Notes</p>																																		
<p>Category of Measure: A process measure of CTED's local government fiscal note preparation process</p>																																		
<p>Analysis of Variation: Not enough data for much analysis, but 2005-06 appears very different from the previous three years.</p>																																		
<p>Analysis of Targeted vs. Actual Performance: CTED was not able to achieve the significantly reduced 50% on-time target for 2005-06.*</p>																																		

Comments About Desirable Characteristics		General Comments & Explanations:
<p>Relevance: Good</p>	<p>Timeliness: The data for the most recently completed year was not available at the time of this assessment.</p>	
<p>Understandability: The activity description does a good job of explaining what a fiscal note is and for whom CTED provides this service.</p>	<p>Reliability: The data should be able to be verified by OFM.</p>	
<p>Comparability: This can be compared to other state agencies.</p>	<p>Cost Effectiveness: Unknown</p>	

- General Comments & Explanations:**
- * Dedicated staff funded by a special grant were needed to achieve the high levels of performance from 2002-2005.
 - Staff reduced in 2005 - 2006.
 - Funding and staff re-established in 2006-2007.

Activity Measures - Public Works Measures

Performance Measure Description: Loans to help local governments repair and expand infrastructure systems. The number of construction jobs is an estimate generated by a formula, based on the amount invested.

Budget Activity Links: A113 - Public Works Trust Fund

Category of Measure: The funds invested is an input measure, and the number of jobs created is an outcome.

Analysis of Variation: No analysis can be conducted with only one data point.

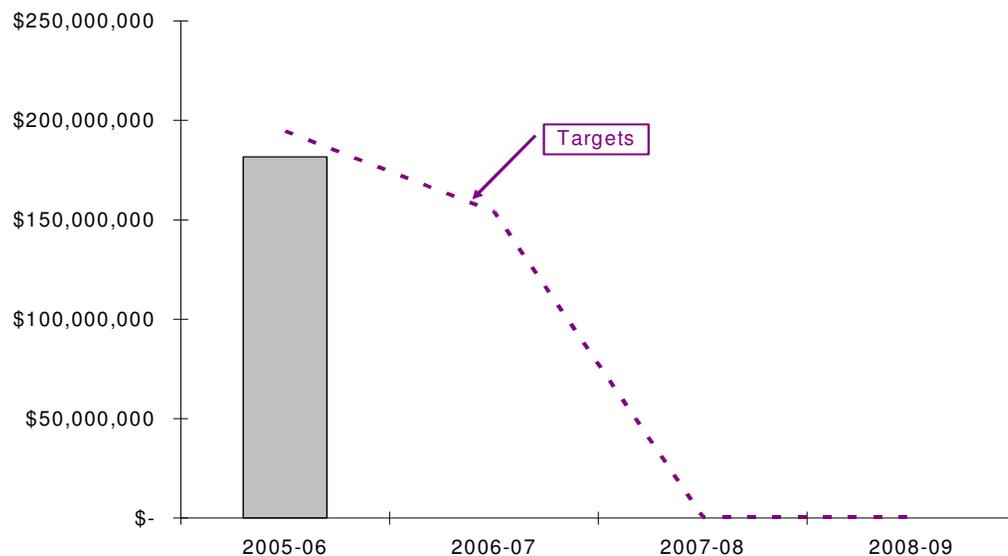
Analysis of Targeted vs. Actual Performance: The estimated number of construction jobs far exceeded the target.

General Comments & Explanations: Within CTED, the Public Works section was recently split off from the Local Government Division. The dramatic drop off in the targets resulted from the Local Government Division estimating their contribution to these results and not accounting for the bulk of the impact which now falls to the Public Works section.

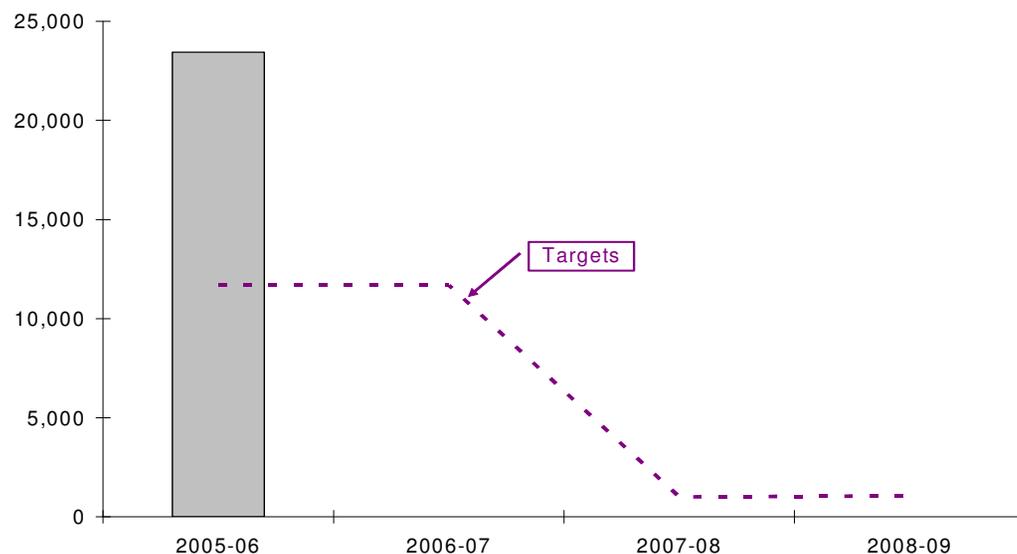
None of this is known or important to external consumers of this data. All they see is a dramatic drop in targeted performance without any major funding changes.

Recommended Improvements: The responsibility for the maintenance of these budget activities should be given to the Public Works section, and they need to account for all the investments and subsequent construction jobs from an overall agency contribution point of view, not just a divisional perspective.

Amount of Funds Invested in Community Housing and Infrastructure by CTED



Construction-Related Jobs Sustained Through CTED Capital and Infrastructure Investments



Activity Measure - Improved Water/Waste Water Systems

Performance Measure Description: CTED provides technical assistance to rural communities facing DOH and DOE compliance issues.

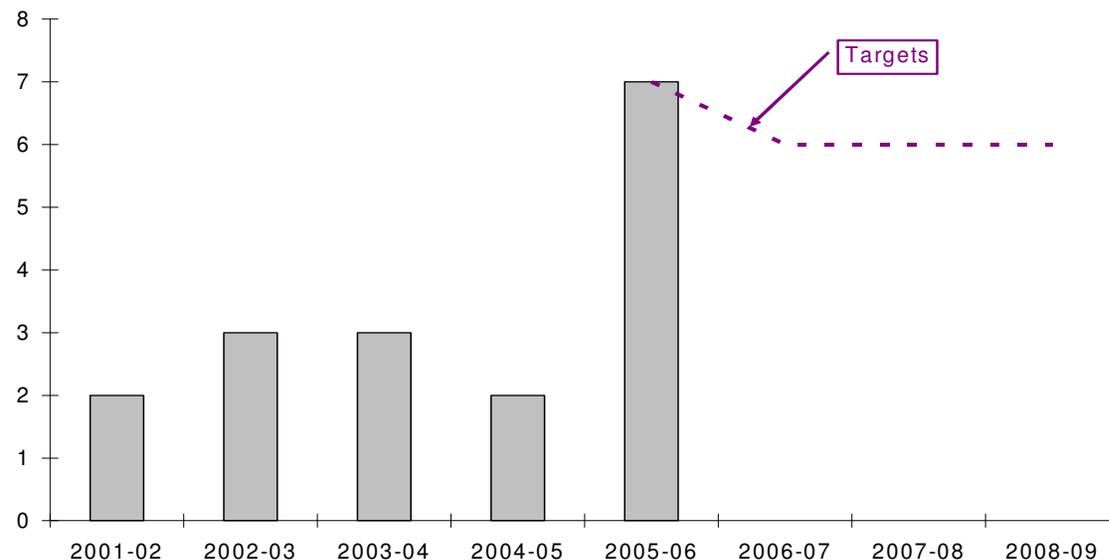
Budget Activity Links: A115 - Small Communities Initiative

Category of Measure: Either an output of the program, or an immediate outcome.

Analysis of Variation: Not enough data for analysis, however, the actual number of communities brought into compliance for 2005-06 appears to be significantly more than previous years.*

Analysis of Targeted vs. Actual Performance: The 2005-06 spike corresponds to the targets.

Number of Small Communities Brought into the Departments of Health and Ecology Regulatory Compliance Through Improved Water and or Waste Water Systems



Comments About Desirable Characteristics

Relevance: Good

Timeliness: The data for the most recently completed year was not available at the time of this assessment.

Understandability: Good

Reliability: CTED controls this data source.

Comparability: Unknown

Cost Effectiveness: Requires a count of small communities that have moved off a list.

General Comments & Explanations:

* 2005-06 increase is due to higher staffing levels (doubled)

Current Targets are valid - The SCI program works with communities over a period of one to several years. Communities are all at different stages of project development when Ecology or Health requests the SCI program to work with them, and each project takes a different amount of time to complete. Reason for the jump:

- Many of the original projects from earlier matured in 2005-06
- Higher staffing level - additional FTE