

Agency Mission: Lead the pursuit of excellence in state government.

KPM #14	<i>RISK MANAGEMENT COSTS – Cost of risk per \$1,000 of operating budget. This measure is listed in the 2007-09 budget form as a measure to be eliminated as a key performance measure.</i>	Measure since: 1999
Goal	Efficient and Effective Government Infrastructure	
Oregon Context	OBM #35 – Governing Magazine’s ranking of public management quality	
Data source	Actuarial review by PricewaterhouseCoopers, insurance costs paid to commercial insurers and Risk Mgmt budget for administrative costs	
Owner	Bob Nies, Risk Management Program, 503-378-5521, State Services Division	

1. OUR STRATEGY

The strategy is to reduce the cost of risk per \$1,000 of state operating budget. Since FY 2002, it has been based on total budget of the state; prior to that, it was based on operating budget alone.

2. ABOUT THE TARGETS

This KPM measures the cost of risk per \$1,000 of state operating budget. The measure gives an indication of the total cost of the state risk management program. Costs consist of claim payments, legal fees, commercial insurance premiums, claims administration, and other operating costs of the DAS Risk Management Program compared to the state budget.

3. HOW WE ARE DOING

By this measure, costs have stabilized. Data is not available annually until October; this is after the annual reporting period, therefore statistics lag one year behind.

4. HOW WE COMPARE

This measure was eliminated for the 2007-09 biennium.

5. FACTORS AFFECTING RESULTS

Factors affecting results include marketplace pricing for commercial insurance premiums, the state’s claims experience, and inflationary factors on operating costs.

6. WHAT NEEDS TO BE DONE

This measure was eliminated for the 2007-09 biennium; no further action taken on this measure.

7. ABOUT THE DATA

The reporting cycle is based on the fiscal year. Data are available annually by October. More details can be obtained from Robert Nies, DAS State Services Division.

This KPM was approved by JLAC for deletion in the 07/09 biennium.

