

**LEGISLATIVE FISCAL OFFICE**

**Annual Performance Progress Report (APPR) for Fiscal Year (2007-2008)**

**Proposed KPM's for Biennium (2009-2011)**

Original Submission Date: 2008

2007-2008 KPM #	2007-2008 Approved Key Performance Measures (KPMs)
1	FISCAL IMPACT VALUE - Percent of key stakeholders that rate fiscal impact statements as “usually” or “always” being: reasonable and fair, clearly written, complete, and accurate
2	FISCAL IMPACT STATEMENT ACCURACY - Number of fiscal impact statements corrected and reissued.
3	TRAINING EFFECTIVENESS - Percentage of respondents to training evaluation surveys who indicate that the LFO training met or exceeded their expectations.
4	BUDGET BILL ACURACY – Number of budget bills that are returned to Ways and Means for correction.
5	CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information

New Delete	Proposed Key Performance Measures (KPM's) for Biennium 2009-2011
DELETE	<p><b>Title:</b> FISCAL IMPACT VALUE - Percent of key stakeholders that rate fiscal impact statements as “usually” or “always” being: reasonable and fair, clearly written, complete, and accurate</p> <p><b>Rationale:</b> LFO is requesting deletion of this measure as data is not readily available to support this measure.¶; As part of the customer satisfaction survey, key stakeholders are asked to evaluate the qualify of fiscal impact statements.¶; Respondents rate fiscal impact statements as good or excellent 83% of the time.¶; LFO intends to continue asking this question in the future, but considers this information to be an internal measure of performance.</p>
DELETE	<p><b>Title:</b> BUDGET BILL ACURACY – Number of budget bills that are returned to Ways and Means for correction.</p> <p><b>Rationale:</b> LFO is requesting deletion of this measure as data is not readily available.¶; LFO is taking steps to map the budget report process to identify potential improvements that will minimize errors.¶; As part of this process, LFO will define internal measures of efficiency.¶; In the future, LFO would like to explore a composite KPM related to accuracy that includes components that inform on fiscal and budget accuracy.</p>

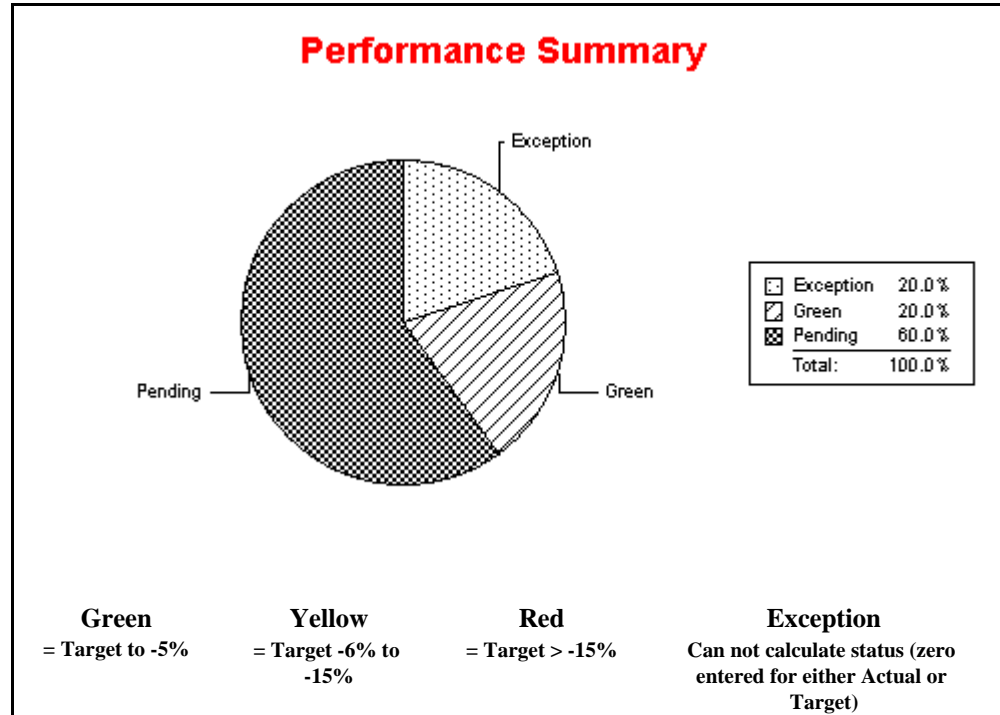
**Agency Mission:** Provide research, analysis, and evaluation of state expenditures, financial affairs, program administration, and agency organization.

**Contact:** Dawn Farr

**Contact Phone:** 503-986-1815

**Alternate:**

**Alternate Phone:**



**1. SCOPE OF REPORT**

This report informs on the Legislative Fiscal Office’s (LFO) performance related to the Key Performance Measures (KPM) approved by the 2007 Legislature. LFO is a non partisan, legislative branch agency that provides financial and budget information to the Legislature. The KPMs cover LFO’s primary business functions: developing fiscal impact statements and supporting the Legislature’s development of a balanced state government budget.

**2. THE OREGON CONTEXT**

LFO links to one Oregon Benchmark: #35-Governing Magazine's ranking of public management quality.

### **3. PERFORMANCE SUMMARY**

Progress is being made on 3 of LFO's 5 KPMs. For those measures where progress is not being made, this assessment results from data not being available.

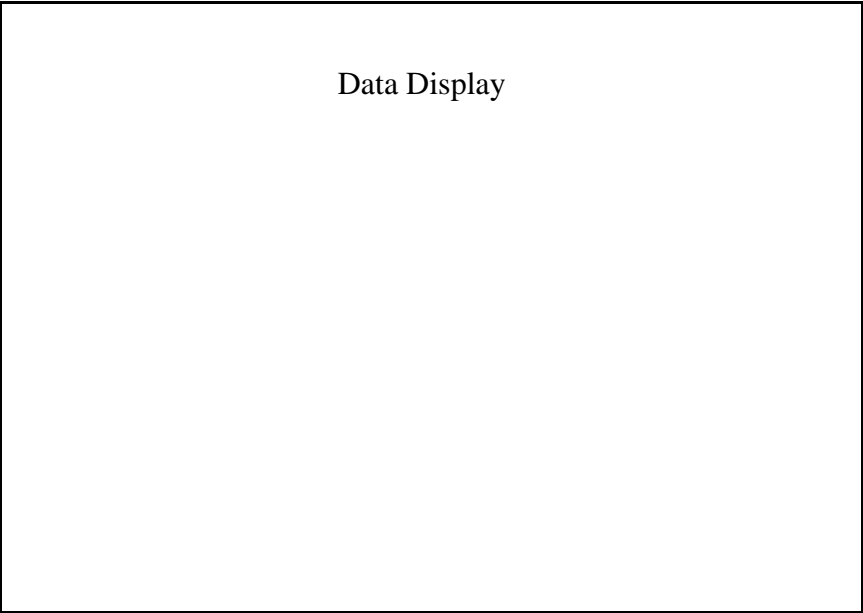
### **4. CHALLENGES**

LFO is committed to further improving its KPMs. During the 2007-09 biennium, LFO develop an Office Business Plan. The plan is designed to focus day-to-day operations toward achieving specific results such as greater state agency accountability and a balanced state budget, however, LFO's actual work is output oriented (reports, analysis, recommendations, etc.), so LFO has taken steps to develop internal process measures to assess progress toward the plan. While internal measures are expected to help monitor performance, they are not appropriate KPMs. At this time, LFO's only true KPM is the customer service measure. Given this, the Office is recommending that the Legislature delete two KPMs for the 2009-11 biennium. Two additional KPMs were left on the list, a measure of fiscal accuracy and training effectiveness, because data is readily available. In the future, LFO would like to explore developing a composite KPM related to Office accuracy.

### **5. RESOURCES AND EFFICIENCY**

LFO's Legislatively approved budget for the 2007-09 biennium is \$5,930,630.

<b>KPM #1</b>	FISCAL IMPACT VALUE - Percent of key stakeholders that rate fiscal impact statements as “usually” or “always” being: reasonable and fair, clearly written, complete, and accurate	2006
<b>Goal</b>	Better informed and objective decision making processes	
<b>Oregon Context</b>	LFO mission	
<b>Data Source</b>	Survey of Legislators	
<b>Owner</b>	John Borden, Legislative Analyst, Phone: 503-986-1842	



**1. OUR STRATEGY**

**2. ABOUT THE TARGETS**

**3. HOW WE ARE DOING**

KPM proposed for deletion 2009-11. No new data to report.

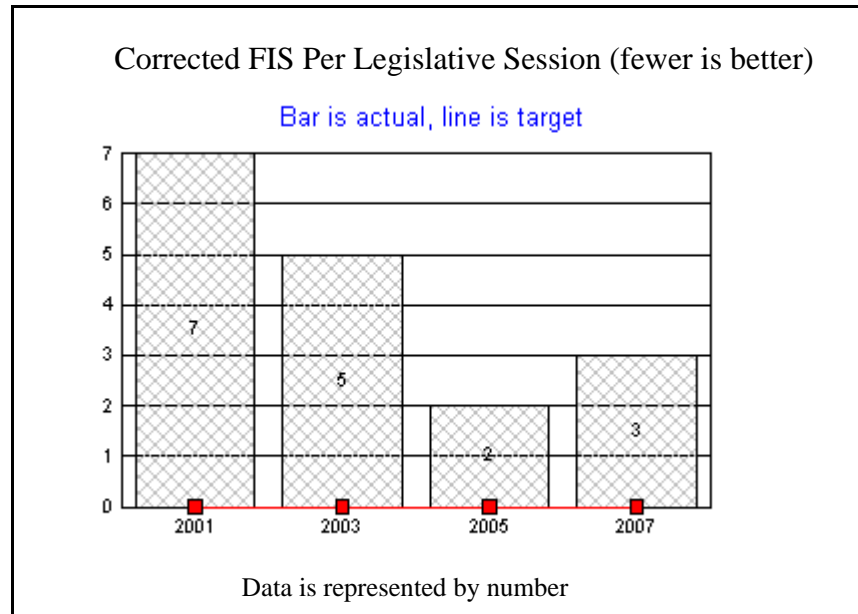
**4. HOW WE COMPARE**

**5. FACTORS AFFECTING RESULTS**

**6. WHAT NEEDS TO BE DONE**

**7. ABOUT THE DATA**

<b>KPM #2</b>	FISCAL IMPACT STATEMENT ACCURACY - Number of fiscal impact statements corrected and reissued.	2006
<b>Goal</b>	Better informed and objective decision making processes	
<b>Oregon Context</b>	LFO mission	
<b>Data Source</b>	Query of issued fiscal impact statement files	
<b>Owner</b>	John Borden, Legislative Analyst, Phone: 503-986-1842	



**1. OUR STRATEGY**

LFO is committed to providing accurate information and doing things right the first time.

**2. ABOUT THE TARGETS**

The 2007 Legislature modified this KPM to “number of fiscal impact statements corrected and reissued.” This report reflects this change. Fiscal impact statements can be “revised” when new information is received; however, fiscal statements are only “corrected” when an LFO staff error is identified. The target is zero errors, so a downward trend represents improved staff accuracy.

### **3. HOW WE ARE DOING**

During the 2007 session LFO issued 1,961 fiscal statements with 3, or 0.15%, being “corrected” fiscals. Historically, the percent of “corrected” fiscal have never exceeded 0.25%.

### **4. HOW WE COMPARE**

LFO has not identified any outside entities with whom to compare.

### **5. FACTORS AFFECTING RESULTS**

Factors that impact fiscal statement accuracy are volume, legislative process deadlines, timeliness requirements and staff experience. The statutory authorities for the fiscal impact process conforms to House and Senate rules (SB 1033: Chapter 828, Oregon Laws 2007); hence, volume, legislative process deadlines and cycle time targets are outside LFO’s direct control. LFO typically offers legislative leadership process recommendations to consider when session rules are drafted.

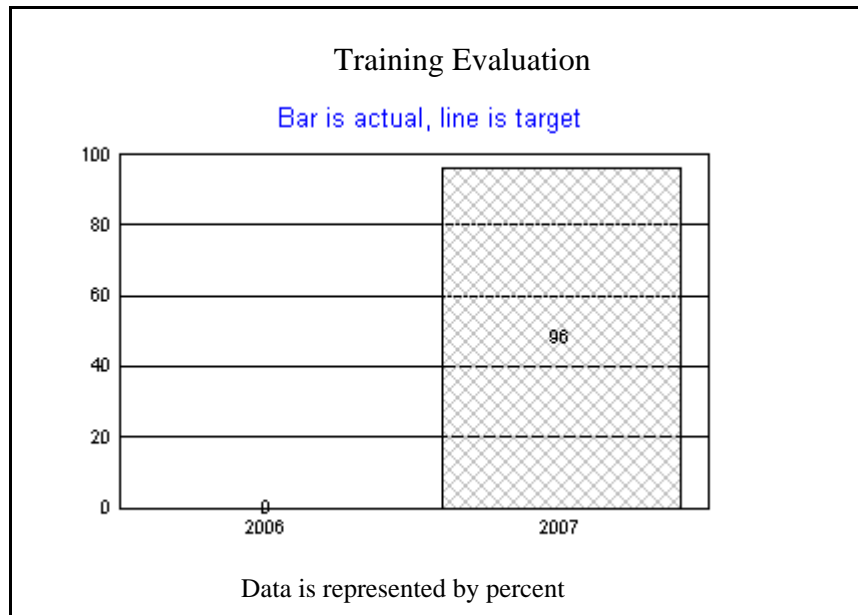
### **6. WHAT NEEDS TO BE DONE**

LFO has taken steps to ensure more staff continuity and to increase fiscal impact staff training and involvement in improvements to the FIS process. LFO is conducting an assessment of process changes made last session to identify continuous process improvement opportunities and to improve agency training. LFO will also conduct an audit of past fiscal statements to draw comparisons between projected and actual fiscal impacts.

### **7. ABOUT THE DATA**

Data on “corrected” fiscals is pulled via a query of issued fiscal impact statement files. Data gather immediately following session. Next data will be collected post 2009 Session.

<b>KPM #3</b>	TRAINING EFFECTIVENESS - Percentage of respondents to training evaluation surveys who indicate that the LFO training met or exceeded their expectations.	2006
<b>Goal</b>	Greater state agency accountability for efficient and effective use of state resources	
<b>Oregon Context</b>	LFO mission	
<b>Data Source</b>	Course evaluation survey results	
<b>Owner</b>	Dawn Farr, Legislative Analyst, Phone: 503-986-1815	



**1. OUR STRATEGY**

LFO is committed to identifying and responding to the fiscal and budget process training needs of the legislature and agency fiscal impact process coordinators.

**2. ABOUT THE TARGETS**

At this time a target has not been set for this measure.

**3. HOW WE ARE DOING**

Ninety-six percent of the participants of LFO's Fiscal Impact Coordinators Training held in January 2007 indicate that the training met or exceeded their expectations.

**4. HOW WE COMPARE**

Not applicable at this time.

**5. FACTORS AFFECTING RESULTS**

The number and nature of trainings conducted during a given biennium will impact results.

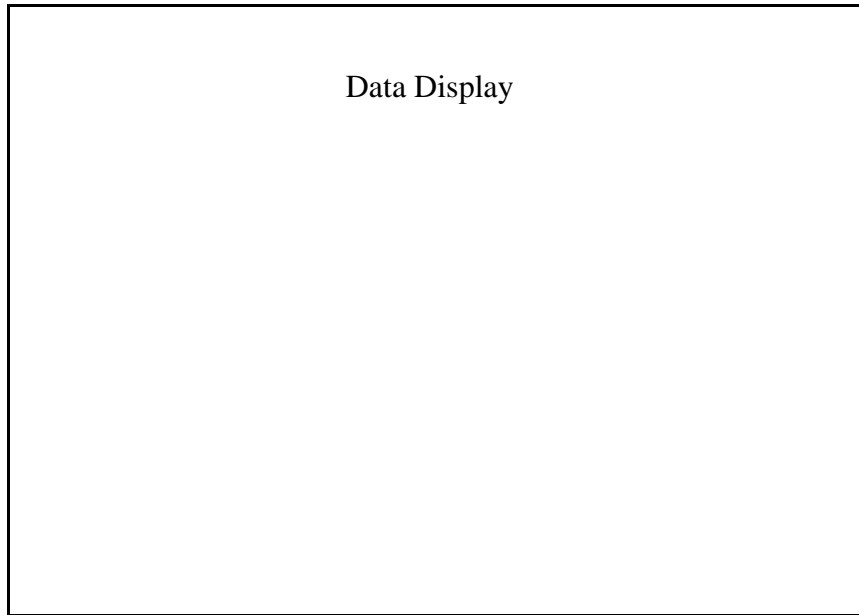
**6. WHAT NEEDS TO BE DONE**

Training is a strategy being employed by LFO to help elevate overall fiscal impact statement quality and legislator's knowledge of agency management and budget processes and practices. Identifying this as a KPM helps LFO focus more attention on identifying performance gaps and tailoring training to close these gaps. Ultimately, LFO expects to request the elimination of this measure as a KPM as it does not rise to the level of a KPM.

**7. ABOUT THE DATA**

Data is collected via a course evaluation survey. In the future, multiple survey results may be aggregated to an overall score which is reported as the KPM result.

<b>KPM #4</b>	BUDGET BILL ACURACY – Number of budget bills that are returned to Ways and Means for correction.	2006
<b>Goal</b>	Better informed and objective decision making processes; clearly defined legislative intent and a balanced state budget	
<b>Oregon Context</b>	LFO measures	
<b>Data Source</b>	No current data source.	
<b>Owner</b>	Dawn Farr, Legislative Analyst, Phone: 503-986-1815	



**1. OUR STRATEGY**

**2. ABOUT THE TARGETS**

**3. HOW WE ARE DOING**

**KPM proposed for deletion 2009-11. No new data to report.**

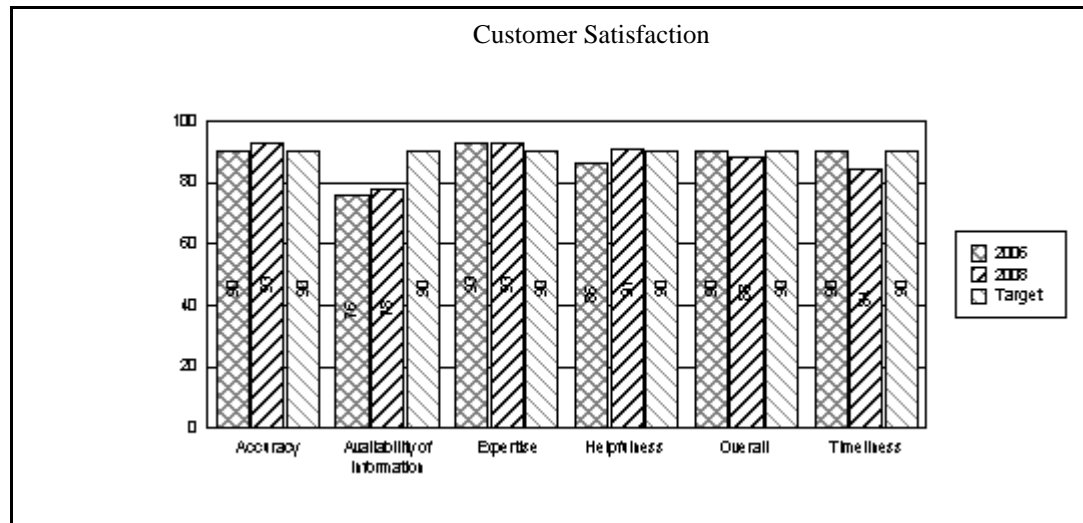
**4. HOW WE COMPARE**

**5. FACTORS AFFECTING RESULTS**

**6. WHAT NEEDS TO BE DONE**

**7. ABOUT THE DATA**

<b>KPM #5</b>	CUSTOMER SERVICE – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information	2006
<b>Goal</b>	Better informed and objective decision making processes; clearly defined legislative intent and a balanced state budget	
<b>Oregon Context</b>	LFO mission	
<b>Data Source</b>	LFO’s internally conducted customer service survey	
<b>Owner</b>	Dawn Farr, Legislative Analyst, Phone: 503-986-1815	



**1. OUR STRATEGY**

LFO is committed to providing excellent customer service to legislators and their staff.

**2. ABOUT THE TARGETS**

Target was set at 90% for each service component based on baseline data.

**3. HOW WE ARE DOING**

Survey respondents rate overall service similarly in 2008 to results received for 2006. There isn't sufficient information at this time to assess whether small changes are a result of normal variation. The majority of respondents, 86% indicate the LFO services are either staying the same or improving.

**4. HOW WE COMPARE**

LFO has not identified a reasonable comparable entity where similar survey information is readily available.

**5. FACTORS AFFECTING RESULTS**

LFO expanded the survey sample from only including legislative members to including all legislative staff. Despite this change, the sample size is still relatively small; n=43.

**6. WHAT NEEDS TO BE DONE**

LFO added additional questions on this survey to gather specific information about product quality and to gather more concrete suggestions for improvement. This information will be analyzed in the Fall of 2008, and improvement actions will be incorporated in the Office Business Planning document which will also be available in the Fall 2008.

**7. ABOUT THE DATA**

The initial survey was conducted using SurveyMonkey, with data being stored in the program files.

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**The following questions indicate how performance measures and data are used for management and accountability purposes.**

<p><b>1. INCLUSIVITY</b></p>	<p>* <b>Staff :</b> Overall, LFO’s KPM process is in its infancy. At this time involvement has largely been internal, involving all LFO staff. During the 2007-09 biennium, LFO published its first Office Business Plan. During 2009-11, LFO will explore ways to broaden involvement in future agency planning efforts.</p> <p>* <b>Elected Officials:</b></p> <p>* <b>Stakeholders:</b></p> <p>* <b>Citizens:</b></p>
<p><b>2 MANAGING FOR RESULTS</b></p>	<p>Results of the customer service measure were shared and discussed with LFO staff. LFO is working on developing internal measures to ensure effective management of key business process. Ultimately, the Office would like to develop better measures of budget process performance.</p>
<p><b>3 STAFF TRAINING</b></p>	<p>Toward the end of the 2005-07 biennium, LFO added a position to coordinate LFO KPM activities and to ensure that LFO was participating in oversight and guidance activities relating to the statewide KPM process. LFO Analysts provide technical, criteria review feedback to state agency regarding their KPMs. Through this process, LFO Analysts have continued to increase their understanding for effective performance measurement. LFO Analyst’s expertise in the development and use of performance measures will continue to be developed in the future.</p>
<p><b>4 COMMUNICATING RESULTS</b></p>	<p>* <b>Staff :</b></p> <p>* <b>Elected Officials:</b> LFO presents performance results monthly to legislative leadership. During the 2007-09 biennium, LFO published its first Office Business Plan. LFO continues to report annually on KPM; however, since most of the measures tracked by LFO are biennial measures, annual reporting does not always yield new</p>

information.

\* **Stakeholders:**

\* **Citizens:**