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June 2, 2003

TO: Progress Board Members

FROM: Jeff Tryens  
Executive Director

Rita Conrad  
Senior Policy Analyst

SUBJECT: Oregon Progress Board May 20, 2003 Meeting Minutes

Members present were: Governor Kulongoski, Neil Bryant, Bobbie Dore Foster, Steve Harper, Michael Jordan, Duke Shepard, Diane Snyder, Ed Whitelaw, Brett Wilcox, Max Williams, Gary Weeks. Staff present: Jeff Tryens and Rita Conrad.

Vice Chair Brett Wilcox opened the meeting at 12:15 p.m. Minutes from the January meeting were approved.

### **Update on Board Funding**

Department of Administrative Services (DAS) Director Gary Weeks relayed the news that after much debate, Ways and Means recognized the Progress Board as a valued resource and approved three positions, although without funding. DAS will need to come up with the funds. Despite the most recent bleak revenue forecast, Gary thinks the Board is in good shape. He said he does not anticipate any additional financial rollbacks for the Board.

### **Progress Board Role in the Kulongoski Administration**

Governor Kulongoski presented his vision for the Progress Board's role in his Administration. He began by observing that while the benchmarks and *Oregon Shines* remain important, the legislature has difficulty grasping that importance in times of economic emergency. The Governor said the Progress Board must drive down, with a hands-on process, into governmental processes to help make government more efficient and accountable. How do we evaluate whether what we are doing is worth the investment?

The Governor pointed out that every time the state legislation authorizes a new program, three things occur: 1) a bureaucracy is created, 2) administrative rules are created to transfer authority to the Executive Branch and 3) interest groups develop. Because of this environment, the political will to make change is handicapped and we just build on top of the existing system. The Progress Board can help provide the information and develop the evaluations that will bolster the political will for change through its work with performance measures. He also mentioned the importance of results-based performance contracts with agency directors.

Jeff commented on the fact that non-governmental organizations are linking up to Oregon Benchmarks. A good example is SOLV.

The Governor said that he wants the legislature to embrace the benchmarks and performance measures. But reports that are more specific to state government would be particularly helpful to legislators and would help to build a constituency for the Progress Board.

### **Achieving Oregon's New Hunger Targets**

The Governor's Deputy Chief of Staff Stephen Schneider, Communications Director Mary Ellen Glynn and Senior Policy Advisor on Human Services and Health Erinn Kelley-Siel presented the Administration's current approach to addressing Oregon's hunger problem, including:

- ? "Hunger Summit" – which received good press coverage.
- ? Public service announcements and donated billboard space.
- ? Summer hike for hunger, and a fall "harvest" event, hopefully to be institutionalized.

Errin summarized the emergency, short-term and long-term aspects of the Administration's approach to hunger. The emergency approach focuses on support for the emergency food system and other community solutions. The short-term approach attempts to access more federal dollars and provides consumer education about how to help families stretch their budgets. The long-term approach is about fighting the root cause of hunger – lack of money – through economic development, public safety net and job supports, education and training opportunities and asset development.

Stephen reviewed collaborative efforts with the agriculture and fishing industries to make use of potentially useable by-products to introduce more protein into the food supply.

Jeff pointed out Oregon's conundrum in understanding the causes of hunger. Census data show that poverty and hunger are strongly correlated in all states except four in the northwest. We don't know why. And we know that it's not just the economy because we had high hunger during the economic boom of the 90s. Some argue statistical aberration, but it doesn't seem likely. U.S. Department of Agriculture is funding Oregon State University to further study this problem. A report will be out in September.

In response to Diane's remark about educating Oregonians to buy Oregon, the Governor said that there is an attempt to make "Buy Oregon" part of a branding program.

The Governor responded positively to Brett's suggestion that the Progress Board help the Governor's Office come up with specific performance measurements for each of its hunger initiatives. Bobbie commented on the need for more education to help families learn how to feed their families nourishing foods.

The Governor stressed we cannot deal with hunger without dealing with poverty and that hunger is not going to be resolved just by government. Communities need to engage, possibly having an eventual benchmark on community involvement.

The Governor closed by stressing his continued support for the benchmarks, *Oregon Shines* and most importantly drilling down into state government performance and building a constituency for the Progress Board. Linking to the budget is key - he can't get to where he wants to go on tax structure without a public that believes government is operating efficiently.

Discussion followed. Members expressed some concern that the Board's original purpose as a strategic planning arm for the state could be supplanted by the Governor's expressed need for more attention to state government management issues.

Board members agreed to hold a retreat in September to discuss the Board's future.

### **Update on Oregon's Sustainability Initiative**

Secretary of State and Sustainability Board Chair Bill Bradbury said a seven-member, non-regulatory Board was established by the legislature in 2001 to advance the cause of sustainability, which he defined as the ability "to have our actions make it possible for our kids to inherit a place that is as nice as what we have now." The Board will focus on a strong economy, a clean environment and involved communities. Its key role is to connect state and private sector efforts. An interagency work force, on which Jeff sits, addresses how state government can shrink the size of its environmental "footprint." Sustainability Board members are Bill Blosser, Martin Goebel, John Ledger, Sara Vickerman, Greg Wolf and Darcy Hitchcock. The Sustainability Board will develop white papers on several different initiatives, including:

- ? Sustainability in the schools: how can schools save money and help the environment?
- ? Sustainable industries: how to define them and make them a key part of the economic development strategy.
- ? Sustainable communities: removing legal barriers to things like mixed use development and alternative modes of transportation.

Bill Bradbury suggested that the Progress Board play a key role with the Sustainability Board by developing measurable indicators of progress toward sustainability. Jeff noted that the Progress Board's work is currently focused on the metrics in this arena. Jeff noted that because both boards focus on economy, community and environment having a regular linkage between the two will be important to avoid redundancy.

Gary talked about Governor Kulongoski's desire to take Governor Kitzhaber's Executive Order to the next level by specifying which agencies "shall" do what things for the sustainability initiative. Bill Blosser has drafted a second executive order that embraces these concepts.

Diane suggested that because sustainability applies on many different levels (single business, one community, state, nation, globe), that the Sustainability Board might look at initiative-based projects while the Project Board looks at the broader state picture. Neil suggested that this was a good subject for the retreat.

Gary and Bill Bradbury responded to several questions: the Sustainability Board does not have rule making authority; agency roles will be made known as soon as the Executive Order is issued; the Executive Order does not tie DAS procurement to Oregon-only products.

Ed asked about the issue of incorporating externalities, such as ecological spillovers, into agency performance measurement and accountability, which are typically internally focused. Gary noted that agencies are expected to be efficient, accountable and sustainable. Jeff clarified that the Executive Order will require agencies to address sustainability in their six-year-planning process, out of which will come performance measures.

### **Advisory Committee on Government Performance and Accountability**

Gary explained that we have asked top Oregon executives and experts to sign up for two years to help state government with performance measurement, management practices and regulatory streamlining. The first meeting will be May 27, with the Governor making an appearance. Gary stressed the importance of making this a meaningful and productive exercise, not one in which members lose interest part way through the process.

Jeff described the relationship between the work of the performance measures subcommittee and the agency performance measure work just completed, which produced for the first time a consistent set of measures across agencies (available electronically and in two large notebooks). Because agencies were not given government-wide goals to strive towards, agency work on child well-being, for example, does not automatically “add up” to a coherent whole. Do existing agency goals and measures make sense? Are these the things state government should be about? Wouldn’t an integrated approach be superior? This will help state government prepare for the 2005-07 budget cycle.

Duke asked if everything was on the table with this group. Gary said yes. Gary said he wants to know if what we do now is really the province of state government. Jeff cautioned that this question is huge and the Advisory Committee might eventually recommend that we take this larger, comprehensive look at state government – including how state government delivers services - but for now, the topics will be limited to child well-being and economic development because they are the Governor’s priorities.

Jeff briefly discussed a budget development project in Washington state that used a group of high level advisors to Governor Locke to identify 10 key results of government and “shop” for state services with a carefully defined pot of money

### **Customer Satisfaction Survey Results**

Jeff reported that the Board’s customer satisfaction survey for 2002 showed favorable, but not exceptional, levels of customer satisfaction. He noted that the ratings were slightly lower for the Progress Board than in the previous survey done in 2000. Jeff added that the 2000 survey has such a small group of respondents (16) that comparisons between those results and 2002 are not very meaningful. Jeff thanked the Oregon Economic & Community Development Department for providing this service to the Board free of charge.

Neil asked about feedback from SB 555 folks (comprehensive planning for children and families). Rita reported that feedback is mixed. Although they may like the training, collaboratively measuring shared outcomes remains a big challenge and that funds for training and technical assistance are limited. Significant progress has been made in state agency collaboration – state agencies are working together now more than ever.

Jeff noted staff success in developing a comprehensive set of performance measures for the Department of Education in time for their budget hearings.

Meeting adjourned at 2:30 p.m.