

Agenda Item No:	G
Title:	Summary of Quality Assurance Program Report <i>Reliability of Reporting for Selected Department Key Performance Measures - FY 2006-2007</i>
Date of Presentation:	January 7, 2009
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## SUMMARY

The Quality Assurance Program (QAP) issued a report regarding the reliability of Department reporting for selected Key Performance Measures (KPM). The two measures selected for review were the a) Forest Practices Act (FPA) Compliance and b) Fire Suppression Effectiveness. The Fire Suppression Effectiveness measure was verified as accurate, but the FPA Compliance measure was not able to be verified. The reason the FPA Compliance KPM could not be verified was due to the number of stewardship foresters reporting they had encountered non-compliance with the FPA, which they felt warranted a citation, but for a variety of reasons no citation was issued. The potential number of non-compliant operations or landowners had the potential to make the reported measure significantly inaccurate.

Several recommendations were issued intended to improve the controls around managing the risk of unreliable reporting for these two KPMs and generally ranged from process guidance to application and database controls. In addition to the reliability of KPM reporting there is a larger issue with the consistency of FPA enforcement, which QAP will address in an upcoming management letter.

## CONTEXT

This engagement was chosen as part of a larger effort within state agencies to improve the reporting and evaluation of agency KPMs and involved participation from the Legislative Fiscal Office, Department of Administrative Services, and several state agency internal audit functions. Because KPMs are a crucial means of communicating Department performance to the legislature, ensuring their reliability and accuracy is important.

In FY07, the Department had 22 total KPMs that it reported in its Annual Performance progress Report. Only two of the Department's KPMs were chosen for this review to reduce the time needed on the review and meet the deadlines of the joint agency group. Most agencies that participated only reviewed one to three measures. The main objectives of this joint agency group were to review the reliability of KPM reporting in as many state agencies as possible and to work on developing a uniform review plan for internal auditors to use.

The purpose of this review was to determine if the selected measures were able to be verified as accurate by determining that the measures were accurately calculated, consistently reported, reproducible from information, supported by source documentation, and sufficiently explained with accompanying narrative.

## **ATTACHMENTS**

- (1) Executive Summary of QAP Report *Reliability of the Reporting for Selected Department Key Performance Measures, FY06 – FY07*