

## MINUTES

### KANSAS PERFORMANCE MEASUREMENT COMMISSION

August 28, 2008  
Room 524-N—Statehouse

#### Members Present

Representative Jeff Whitham, Chairperson  
Jerry Younger, Vice-Chairperson  
Senator Roger Reitz  
Senator Jean Schodorf  
Representative Ann Mah  
Representative Marc Rhoades  
Duane Goossen  
Laura Howard  
Diane Duffy

#### Members Absent

Senator Anthony Hensley  
Patricia Henshall

#### Staff Present

Alan Conroy, Kansas Legislative Research Department  
Cindy Lash, Kansas Legislative Research Department  
Corey Carnahan, Kansas Legislative Research Department  
Ken Wilke, Office of the Revisor of Statutes  
Mike Heim, Office of the Revisor of Statutes  
Shirley Jepson, Committee Secretary

#### Conferees

Duane Goossen, Director, Division of the Budget, Department of Administration  
Donna Shank, Board Chairperson, Kansas Board of Regents  
Don Jordan, Secretary, Department of Social and Rehabilitation Services  
Jerry Younger, Deputy Secretary for Engineering and State Transportation Engineer,  
Kansas Department of Transportation

#### Others Attending

See attached list.

## Morning Session

Chairperson Whitham called the meeting to order at 10:00 a.m. *With no exceptions or corrections to the minutes of the July 18, 2008, Commission meeting, they were approved as written.*

### Overview of State Government

Cindy Lash, Legislative Research Department, provided an overview of state government including state agencies and their missions ([Attachment 1](#)).

- The Commission requested an additional listing of commissions as authorized by the Legislature, their missions, whether they have a sunset, if they have paid staff, and whether they are funded with state funds.

### Commission Focus

The Chairman stated that Commission members will need to decide if they think the State needs to develop a new performance measurement system, or tweak the existing system. He noted that no money has been appropriated for this, and given the nature of the budget cycle it would be 2011 before a new system could be implemented. He noted that the Commission might want to suggest piloting their recommendations in a few agencies.

Responding to a question from the Commission, Barbara Hinton, Legislative Post Auditor, stated that audits focusing on efficiencies and cost savings in state government presently are being performed. One audit addresses whether the functions of three financial regulatory agencies (the Kansas Banking Department, the Department of Credit Unions, and the Office of the Securities Commissioner) could be combined to gain cost efficiencies. Another audit is looking at whether cost savings would be achieved by making the Animal Health Department and the Conservation Commission, which currently are independent state agencies, divisions within the Department of Agriculture.

### Performance Measures—Division of the Budget

Duane Goossen, Director, Division of the Budget, presented an overview of performance measures used by the agencies of state government, how they are reported, their importance to the state agency, examples of performance measures used by selected agencies, and how they are used by the agencies and the Division of Budget in preparing budget requests to be presented to the Legislature ([Attachment 2](#)). Mr. Goossen noted that performance measures used by each agency are key pieces of information in determining the performance and budget for each department of state government. Mr. Goossen also stated that it is difficult to make all of the collected information available to the public and legislators because of the quantity of detail in the reports. Mr. Goossen stated that the Division of Budget is open to suggestions to improve the system and ways to distribute collected information to those interested in the results.

Responding to a question from the Commission, Mr. Goossen noted that not all performance measures are tied to the budget process; however, they do show where improvements need to be made. In addition, there are numerous federal regulations that could have an impact on state

agencies. The Commission noted that the present system of obtaining goals and objectives from the agencies is basically directly at the same result, and questioned whether there could be a more appropriate approach to obtaining the information needed to evaluate the performance of the different agencies. The Commission stated that it is important to look at the cost to consumers as well as cost to the state in evaluating programs and duplication in programs between state agencies.

### **Performance Measures – Kansas Board of Regents**

Donna Shank, Board Chairperson, Kansas Board of Regents, presented an overview of the performance funding system utilized by the Kansas Board of Regents ([Attachment 3](#)). Ms. Shank noted that performance measures and goals are important to the budgeting process. Ms. Shank stated that it is important to be aware that only new funding over the previous year's base is tied to performance agreements produced by the institutions.

Responding to questions from the Commission, Ms. Shank noted that there are approximately 50 staff members at the Board of Regents with three or four staff members assigned to work on performance agreements. Ms. Shank stated that the shortage of funding continues to be a problem as there are new expectations. The Board of Regents emphasizes that the educational institutions need to be more efficient and discontinue procedures that no longer need to be done as they work in a diverse system to produce a workforce for the state. Ms. Shank noted that state funding is less than 20 percent of the entire Board of Regents' budget. At the present time, a unified budget for the state institutions, community colleges, and technical schools is submitted by the Board of Regents to the Division of the Budget.

The Commission felt that it is important for the Board of Regents to look at goals and ways to direct more funding toward technical schools to produce a skilled workforce to address the state's needs. The Commission noted that it is important for the Board of Regents to address reducing the cost of postsecondary education for students, reduce the cost of books, promote acceptance of credits from one institution to another, track students from one institution to another, establish a unified data base, and put funding in areas to address needs of industry within the state.

The meeting was recessed at 12:10 p.m. and reconvened at 1:30 p.m.

### **Afternoon Session**

### **Performance Measures – Department of Social and Rehabilitation Services**

Don Jordan, Secretary, Department of Social and Rehabilitation Services (SRS), presented an overview of performance measures used by SRS ([Attachment 4](#)). Secretary Jordan stated that it is difficult for a large agency to bring all facets together into a unified report because of the diverse nature of the agency. It is important to not get bogged down with performance measures and fail to get services to the citizens in need. The Secretary reported that Kansas is one of the states with the most improved services and, as a result, will receive an additional \$1.5 million from the federal government to continue these services.

Responding to questions from the Commission, the Secretary stated that the directed 2 percent reduction in the FY 2009 budget will be handled by fund balances without reducing services for clients. In addressing the directed 5 percent reduction in the FY 2010 budget, the Department has reviewed critical needs and will make adjustments to budgets which have less critical needs;

however, the reduction cannot be made without some individuals losing benefits. In response to a question concerning foster children, Secretary Jordan noted that the goal of the system is to return foster children to their parents as quickly as possible. The Commission felt it might be beneficial to survey foster parents to determine if they felt the system in place at the present time is working for the benefit of the children. Secretary Jordan noted that it is important to measure outcomes as well as outputs.

## **Performance Measures – Department of Transportation**

Jerry Younger, Deputy Secretary for Engineering and State Transportation Engineer, Kansas Department of Transportation (KDOT), presented an overview of performance measures used by KDOT ([Attachment 5](#)). Mr. Younger stated that KDOT has identified six focus areas in measuring performance including project and program delivery, preservation and maintenance, safety, modernization and congestion, economic impacts, and workforce development with breakdown within each focus areas, noting that most are output measures.

With regard to measuring safety on the highways and roadways, the Commission questioned whether it is the responsibility of KDOT or of the Kansas Highway Patrol (KHP) to track safety measures for highways and roadways. Mr. Younger said the Highway Patrol issues the reports, using data from KDOT. Responding to a question from the Commission, Mr. Younger stated that a new ten-year transportation plan will be designed to have more flexibility to address emerging needs and allocate funding where it will do most good for the entire state.

## **Commission Discussion and Observations**

- There are many good performance measurements already in place at the large state agencies. Commission members wondered whether mid-sized or small agencies have comparable performance measures;
- What is needed is a practical way to report agency performance measures to the Legislature in a more concise manner. The depth of performance reporting that agencies need in order to manage programs is different than the Legislature needs;
- It seems to make the most sense to use talents within to develop a plan rather than hire a consultant at this time. The Legislative Research Department will search for examples of performance measurement reports used by other states which are concise in nature; and
- Legislative Post Audit is a resource for determining if there is duplication in government.

The Chairperson will convene a small group of Commission members before the next full Commission meeting to begin developing recommendations regarding the type of performance measurement information that would be useful to legislators.

The meeting was adjourned at 2:40 p.m. The next meeting of the Commission will be "on call" by the Chairperson.

Prepared by Shirley Jepson  
Edited by Cindy Lash

Approved by Commission on:

November 6, 2008  
(Date)