Last fall, “changes” was the first word in my first “Chair’s Corner” article. “Change” is the theme for this, my third and final article. During this past year, significant amounts of data regarding the staff membership of NCSL have been gathered, discussed, and analyzed, generating recommendations for change within NCSL. Although the machinations to develop the recommendations represent a great deal of effort by a small number of legislative staff, the effect of the changes will be of value to a large number of legislative staff across the country. Here is an overview of some of those changes.

Change is in the wind for the Legislative Staff Management Institute. The LSMI will be held at the Humphrey Institute this summer, and then move to California State University-Sacramento for 2005–2009; the new program will be a joint offering of CSU-Sacramento and the University of Southern California. Elsewhere in this newsletter, legislative staff leaders involved in developing this recommendation write about the decision to move LSMI from Minnesota to California.

Change is also in the wind for the Fall Conferences and Professional Development Seminars held by the NCSL staff sections. Value, efficiency, and sound budgeting converged during this past year to result in a heightened emphasis in future years on collaboration among the staff sections for Fall Conferences. What are the effects of this change? It is expected to generate added value to each staff section through joint program development and cross-training, to gain the efficiencies that come through co-hosting small- to medium-sized Conferences, and to ensure adequate revenues to cover NCSL administrative expenses associated with the Conferences. NLPES has a stellar history for sound budgeting for Fall Conferences, and also has co-hosted past Fall Conferences. One thing that will not change is the NLPES Executive Committee’s commitment to planning and delivering a Fall Conference that meets the training and professional development needs of member offices.

Staff turnover is among those changes that all Legislatures experience and must manage effectively to ensure the integrity of the institution. At this year’s NCSL Annual Meeting, all ten staff sections are collaborating with the Legislative Effectiveness standing committee on a session entitled, Retaining the Best and the Brightest. This session, scheduled for Tuesday afternoon in Salt Lake City, will feature a presentation by Dr. Ronald Sims, Professor at the College of William and Mary, and a panel representing several states and the varied characteristics of state Legislatures. (By the way, for those of you ‘counting change’, please note that not only is it a change to have all ten staff sections collaborating on a session, but that it is a change to do so with a Standing Committee early in the Annual Meeting’s week-long schedule!)

I have one last change to report, and it’s a positive change. In the 2004 spring election for the NLPES Executive Committee, 92% more ballots were cast than in 2003; the number of ballots cast increased from 325 to 428. We could all do our analytical best to nail-down the “cause” for the increase. The “effect,” however, is far more intriguing. To the extent all 428 ballot-casting members continue their involvement in NLPES throughout the year, good things will happen for the whole membership.

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**Inside the NEWS**

Changes Ahead for LSMI.....................................................2
Making Sure Our Audits Make a Difference..........................2
Changes I’ve Seen............................................................3
Active Listening............................................................5
State Profile: Minnesota....................................................6
Liaison’s Corner: Is PART Missing?.................................7
No Shop is Too Small for Big Tasks....................................8
NLPES Fall Training Conference.......................................10
Office Happenings.........................................................11
From the Editor............................................................12
This said, what have I learned about change in this past year? I’ve learned things we’ve all heard before: Change is good. Embrace change. Change is the only constant. And, in the words of George Bernard Shaw, “Progress is impossible without change, and those who cannot change their minds cannot change anything.” It has been a great experience to serve as NLPES Chair this past year. Please join me in wishing Martha Carter all the best as she moves into the Chair for 2005-06! Thank you to the full Executive Committee for both your confidence in me and your work on behalf of NLPES.

Changes Ahead for LSMI

The Legislative Staff Management Institute (LSMI) is NCSL’s premier training program for senior legislative staff. The purpose of LSMI is to help senior level staff managers develop their abilities in dispute resolution and conflict management, management of the legislative process, leadership, policy analysis, and strategic planning. Now in its thirteenth year, LSMI offers participants drawn across America's state and territorial legislatures the opportunity to enhance their management capacities, learn new ideas and techniques, and foster relationships with people doing similar work elsewhere in the country. LSMI has been held in July or August of each year at a time that does not conflict with the NCSL Annual Meeting.

LSMI was created through the vision of Betty King, NCSL’s 1988 Staff Chair. At her direction, a task force led by John Turcotte, then a member of the NCLS Executive Committee and a future staff chair, and assisted by Karl Kurtz, NCSL’s Director of State Services, conducted a competitive bid process and selected the Hubert H. Humphrey Institute of Public Affairs at the University of Minnesota to serve as the initial program co-sponsor. The initial LSMI was held in 1991. Since that date, between 20 and 30 senior legislative staff have attended each of the annual sessions.

The goals of the Legislative Staff Management Institute have remained constant over time, although the length, content, and faculty have changed somewhat. LSMI is intended to provide senior legislative staff the opportunity to improve their skills, to reflect and retool, and to add to their credentials as managers supporting the unique roles of state legislatures. LSMI initially operated as an intensive 11-day course of instruction on the campus of the University of Minnesota, and program faculty was drawn primarily from the Humphrey Institute. In 2003, the program was shortened to 8 days to make it easier for senior legislative staff to attend, and the curriculum was adjusted accordingly.

Legislative staff who are interested in attending LSMI apply for admission and are selected on the basis of aptitude, commitment, and staff position. Preference is given to applicants who have significant management responsibility or are likely to assume such responsibility in the near future. Tuition is has remained constant at approximately $2,000, and includes lodging, most meals, and all instructional materials. The NCSL Foundation for State Legislatures also provides financial support for the Institute.

In 2003, the Legislative Staff Coordinating Committee decided that as 15 years had passed since the selection of the Humphrey Institute as the initial host of LSMI, it was appropriate to again solicit bids from potential co-sponsors. After a competitive selection process, a new co-sponsor was selected. Beginning in 2005, LSMI will be jointly hosted by the University of Southern California and the California State University, Sacramento. LSMI will be held in Sacramento as an 8-day training program. The summer/fall dates of the initial program will be announced in the spring of 2005.

To date, LSMI has served over 400 bright and motivated senior staff representing over 40 state legislatures as well as the District of Columbia and several territories and nations. Collectively, these staff represent all 11 NCSL staff sections and include both partisan and nonpartisan staff who perform a broad variety of duties in their respective legislatures. It is expected that the change in LSMI’s co-sponsor will broaden the range of professional development opportunities that NCSL provides to senior legislative staff and re-energize this vital training resource.

Making Sure Our Audits Make a Difference

Steven Hendrickson (Chief Deputy State Auditor, California Bureau of State Audits)

How do those of us in the audit and evaluation community know whether the work we do is making a difference? How can we be assured that the recommendations we have made in our reports are actually put into practice? As Mark Funkhouser points out in his article “A Fish Story About the Three Phases of Audit” (NLPES News, Winter 2004), “For an audit to be truly successful, something had to happen as a result of it.” In other words, we must spark a change with the recommendations we make. Simply recommending change, even when the change is based on
evidence gathered and communicated through the audit process, is often not enough. The question we must ask ourselves is this: “Are we doing everything within our respective authorities to make sure our recommendations are acted upon?” For most of us, recommendations we make do not carry the force of law, which makes it imperative that we develop other ways to ensure that they are put into action.

**Status Reports Not Enough**

Asking the auditees to report back to us on their progress in implementing our recommendations is the most commonly employed tool for following up. But, is that sufficient? Perhaps, some of you have had experiences with post-audit reporting similar to that of the California Bureau of State Audits; in years past, we found some departments were not responsive to our requests for follow-up reports. Some departments simply did not provide the reports, while others provided explanations that merely confused the issue. Still, others reported on how they “planned” to put our recommendations into action, rather than on corrective actions they actually accomplished. Receiving such reports, left us with doubts about the sincerity of these departments’ efforts.

**Getting the Executive Branch to Pay Attention**

Several years ago we realized that we could do more to provide departments that we audited the extra encouragement they needed to put our recommendations into action. We began educating the Legislature on whether those we audited during the previous two years actually implemented our recommendations. More specifically, we invented a report, the “status of recommendations” report, in which we compiled a brief synopsis of each of our findings and recommendations over the previous two-year period, accompanied by a list of actions taken thus far by the audited departments to carry out our recommendations. Each February, just a few weeks after the Legislature returns from its winter recess, we distribute the status report to all of our legislators. This is the best time to put such a report in their hands, because this is when the Legislature is preparing to deliberate the state budget for the upcoming fiscal year; this is the time of the year when department directors appear before budget committees to defend their proposed budgets. Legislators on the budget committees have a golden opportunity to exercise their oversight responsibility, by asking directors about the progress they have made in carrying out our recommendations. With our status report in hand, an inquiring legislator is in a better position to ask informed questions about departmental progress in makings changes.

**Other Uses for the Recommendations Report**

All indications are that the legislators, their staff, and the public have found this report useful. In 2003, visitors to our Web site downloaded all or some part of it over 2,500 times. We have also found the report useful for our own needs. For example, we use it in responding to calls from the media on our past audits, since our findings, recommendations, and the status of the efforts of every department we audited in the past two years to carry out our recommendations are summarized in this one place. Overall, we have found the benefits outweigh the costs of compiling, printing, and distributing this report. And, after five years of preparing it, our production costs have dropped considerably.

Certainly, the primary responsibility of the government auditor is to point out flaws in the way government agencies are carrying out their responsibilities and to suggest improvements. But, to see our recommendations carried out, we also must be willing to innovate, since most of us can only suggest improvements. Producing this annual report and disseminating it to the Legislature is an innovation we believe has proven effective. Reporting on the status of our recommendations and putting information in the hands of our legislators at a critical time during the legislative year has helped ensure success in having our recommendations carried out. In fact, we believe it is a factor that has contributed significantly to our 83 percent success rate in having “something happen as a result of our audits.” After all, having our recommendations put into action is the fundamental gauge we use to measure the success of our audits.

**Changes I’ve Seen: A Legislative Evaluator Reflects on 27 Years Before the Mast**

James Barber (NLPES News editor) asked me to describe the changes I’ve seen since coming to work at JLARC in 1977, so this is his fault, not mine. I agreed, though, so it’s partly my fault, partly yours if you read on. I’ve decided to do this via a David Letterman style “Top 10” list, rather than get ponderous and maudlin, which are my natural inclinations. As you can see by the length of some of the topics, I have not entirely escaped my ponderous nature. Moreover, I’m not that funny.

10. **Staff and more staff.** When I started at JLARC, the General Assembly wasn’t accustomed to staff, so JLARC analysts were kind of a rarity.
In 1977, members seemed to be intrigued by the capability of getting needed information from professionals who worked for them, not the Governor. Today, legislative staff abound. Not that we ever enjoyed rock star status, but it was nice to be recognized (sometimes).

9. **Access.** Access to members is vastly different. In 1977, if you wanted to see a member, you went to their brand new office and knocked on the door. I say brand new offices, because they got their offices in the 1970s. Prior to that the desks in the chambers were their offices. Along with offices came staff for members (legislative aides, secretaries, interns, volunteers, etc.) Consequently, you usually don’t just knock on members’ doors and see them. You have to go through their people.

8. **Security, less or more.** Speaking of access, the whole security bit didn’t exist in 1977. While there have always been Capitol Police, the 1977 variety did not have black jump suits to wear when “Orange Alert” is declared. Nor did they truly limit access to the buildings. Members and the public largely came and went as they pleased, except onto the floor of the House or Senate, where an elderly Sergeant at Arms would politely turn away the uninvited.

7. **Politics – back to the future.** When I joined JLARC in 1977, the Democrats had overwhelming control of the General Assembly. We were in the middle of a three-year run of Republican Governors. That Republicans occupied the Governor’s Mansion helped JLARC in its early development. Democrats in the General Assembly were always glad to see us find problems in a Republican administration. Virginia then elected three Democratic Governors, and Democratic legislators were less pleased to see us find fault with them. The State passed through a brief period of power sharing in the late 1990s and now the Republicans are firmly in charge of the House and Senate and we have a Democratic Governor. A watchdog agency always does better when there is a party split between the executive and legislative branches. So, in a sense, we are back to where we were when I started, except that the parties have switched places.

6. **Bills and more bills.** The number and complexity of issues has grown. In 1977, 1564 bills and resolutions were introduced. In 2004, the number had grown to 2638, despite various attempts to curb the rate of introductions. Even more telling, $130 drafting requests were made in 2004, a number for which there is no counterpart in 1977. Somehow, the *Code of Virginia* has apparently become more flawed over time, requiring more frequent revision.

5. **Subcommittees.** Partially as a consequence of the increased amount and complexity of legislation, the detailed analysis of a bill now takes place in subcommittees, as opposed to committees. Subcommittees were rare in 1977 and their ascendance has greatly transformed the process. More members have power, but power is somewhat more fragmented. Lobbyists and others now can focus their efforts on influencing a few key members of a subcommittee.

4. **Speaking of lobbyists.** There aren’t even any records on lobbyists as far back as 1977. By April of 2004, there were 944 registered lobbyists. There is now even an official “lobby year” that begins on May 1 and ends on April 30 (typically after the legislative session is long over). During the Lobby Year that ended May 1, 2003, the 944 registered lobbyists disclosed spending of $10,442,665.33 for, well, lobbying stuff.

3. **Research technology.** When I started at JLARC, a data run meant that I would put on my coat and literally “run” a box of IBM punch cards over to Sanger Hall at the Medical College of Virginia. There, a room full of machines would sort the cards and eventually give me some important data, like cross tabs. Today, well… I’m 55 so I don’t even know the latest technology that the kids are using around the office.

2. **More technology.** You can’t not talk about the Internet. When I started at JLARC, a literature review meant packing a lunch and spending a day going through the card catalog at the State Library. Sometimes we’d even go to the Alderman Library at the University of Virginia or the Library of Congress. We’d call friends from NCSL meetings and ask them to mail us recent studies. Today, well, you know what a literature review is. And if you don’t know, check our web site at http://jlarc.state.va.us for a link to your web site and everyone else’s. Your literature review is done.

1. **What’s with the mirrors?** The mirrors in the Capitol aren’t as well made today as they were a quarter century ago. In 1977, the mirrors properly showed a physically fit man with a beautiful wife and two very young children. Today the wife is still beautiful, but the mirror shows a paunchy man with thinning gray hair. The kids don’t even show up. What are they, vampires? What is it that the state can’t afford decent mirrors anymore?
Active Listening

Melinda Gustafson (Wisconsin Legislative Audit Bureau)

“One often hears the remark 'He talks too much', but when did anyone last hear the criticism 'He listens too much?'” — Norm Augustine.

Whether it is to mitigate limited staffing resources or to meet heightened demand for audit reports, increasing the efficiency and effectiveness of program evaluation fieldwork is a common goal in NLPES offices. One tool to accomplish this goal is the regular use of active listening skills.

Active listening requires the listener to intentionally focus on what is being said. The listener should be able to repeat the information, in his or her own words, to the satisfaction of the speaker. Active listening does not necessarily mean that the listener agrees with what was said, but that the listener understood what the speaker was saying.

While many of us may be familiar with the concept of active listening, we may not be using it as consistently as we think. Ask yourself:

• During an interview do you glance at your watch or the clock while the other person is speaking?
• Do you ever finish sentences for people you are speaking with?
• Do you rarely use nonverbal responses to demonstrate that you are listening, such as nodding, keeping eye contact, or leaning forward?
• Do you ask follow-up or clarification questions before a person stops speaking?
• Do you normally follow a strict agenda of pre-written questions during an interview?

If you answered “yes” to any of the questions above, consider adopting some of the following active listening techniques:

• First, when possible, avoid distractions. Rather than meeting in a cubicle, request a conference room or other space where your interview is less likely to be interrupted by a ringing phone or incoming email chimes.

• Second, allow the speaker to finish speaking. Remember that it is okay for a conversation to have brief pauses, so avoid the temptation to fill in the blanks for a speaker.

• Third, restate or paraphrase answers to your questions. Rephrasing allows you to translate technical terminology into language more appropriate for a general audience and confirm what the speaker said.

• Fourth, summarize the main points learned during the interview. It only takes a few moments to review the highlights.

• Fifth, invite the speaker to respond. This is the perfect opportunity for the speaker to clarify any misunderstandings and may also give you insight into how the agency or organization may respond to findings and conclusions.

I have found that active listening techniques help to maximize time during interviews about complex programs, such as Medicaid. At the beginning of fieldwork for a review of Medicaid use in emergency rooms, I made an effort to summarize main points I’d taken from the interview and invited the interviewee to respond. Those responses provided essential comments about the parameters of our data, which facilitated the analysis. In addition, I’ve used active listening skills when interacting with fellow staff members. On a recent project I conducted research on program revenue and expenditures. As a non-accountant, I sought guidance from members of our financial auditing division. Using the active listening concept of paraphrasing, I restated the general principal explained, but applied the concept to the context of a personal-checking account. This technique allowed me to summarize what had been said and ensure that I had fully understood the concept.

If you’d like to take a quiz to evaluate your own listening habits or find additional information about active listening, go to www.innerthinking.com/ejournals/ej06.htm.
State Profile
Minnesota Office of the Legislative Auditor

The Program Evaluation Division of the Minnesota Legislative Auditor was established in 1975. A 16-member joint legislative commission oversees the work of the office and selects program evaluation topics. Jim Nobles has served as Legislative Auditor since 1983. All of our evaluation staff have advanced degrees—in fields including public affairs, sociology, economics, psychology, law, industrial and labor relations, research methodology, and education administration.

Jumping Jehosophat! Maybe there’s a flaw in our hiring process, but our office of 16 staff has more than its share of people with names starting with “J.” Currently, we have Jim, Jody, Jo, Jan, Judy, Jean, Joel, and two Johns—plus there are two other staff whose last names start with “J.” Past employees have included Jenn, Jared, and Jeanette.

Protecting the livestock from Mad Auditor Disease: During a site visit to a feedlot, our staff were required by the feedlot staff to shower and change into special uniforms before entering the area where the animals were kept.

Allergic to our reports: An evaluation team met privately with a legislator to brief her on a soon-to-be-released report regarding a program dear to her heart. As the team proceeded through a summary of the findings, the legislator developed a case of hives and had to temporarily stop the briefing.

Long in the tooth: In 1983, four staff in our office were assigned to an evaluation of special education. At the time, these staff had a total of 20 years of experience with our office between them. All four are still with the office today; they now have a total of 104 years with our office between them.

Senator, it was just a coincidence… After we presented a report at a hearing, a legislator approached the Legislative Auditor and privately accused our office of bias. While this was happening, other staff from our office were busy packing up materials from the hearing, and they inadvertently took this legislator’s notepad, daily planner, and personal mail back to our office. (Yes, we returned the items later that morning.)

In bed with the lobbyists… but we maintained our independence: Many years ago, one of our staff traveled with a legislative delegation for several hearings in the Minnesota hinterlands. A legislative committee arranged all the accommodations and, to save money, participants were expected to share rooms. Our staffer found that he was assigned to room with a lobbyist—but, of greater concern, there was only one bed in the assigned room of the fully booked hotel and no rollaway bed to be found. So, for one night, our intrepid staffer slept with a lobbyist—and he maintains there were no violations of the agreed-upon “zone of independence” between their respective sides of the bed.

We wondered why all of her findings began with “It was a dark and stormy night.” One of our former colleagues quit our office several years ago to pursue a career in mystery writing—and she is now working on publishing her seventh book.

Some highlights from road trips: One of our staff injured her wrist while riding all-terrain vehicles as part of our study of off-road trails. Another staffer was very embarrassed after locking the car keys in the trunk in rural Minnesota, temporarily stranding a team of three evaluators.

Armed with advanced statistical techniques and a crystal ball… In response to our recent report on the No Child Left Behind law, the main criticism by the Commissioner of Education was that our estimates of the law’s future impacts did not assume that there would be changes in the current federal law.

Leaner… but we don’t think we’re meaner: Due to revenue shortfalls, 2003 was a difficult year for all of Minnesota state government, and our office shared in the pain. The budget approved for our office for the current biennium was 16 percent less than the budget we had in the previous biennium—resulting in some layoffs and various other spending reductions.

Oddest question from a legislator: When we released a study of waste recycling programs, a legislator asked us at a hearing if we knew what happens to leftover, partially used bars of hotel soap.

Surf city: Our IT staff monitor visits to our web site, and the record for most web hits on the day of a report’s release was for our recent report on the state lottery (February 2004). But, by far, the record for most hits over the lifetime of a report goes to our report titled Sex Offender Treatment Programs from 1994. We suspect that many people who have gone to this website have been looking for online downloads other than a program evaluation…

Encounters with “The Body:” Former Governor Jesse Ventura had an ongoing foul relationship with the media. Once our staff emerged from a meeting with the Governor and passed through a room packed with reporters who were awaiting an announcement by the Governor on another topic. “Oh, no,” blurted out one of the press wags. “The Governor’s been meeting with the auditors. Now he’s probably in a really bad mood.”
Setting a poor example: In an evaluation of local e-government services, we interviewed technology directors who universally preached the need to enhance security of their internal computer networks—for example, by using difficult-to-replicate passwords. As we were led through a secure facility housing one county’s multiple computer servers and other network components, we noticed that a technician had a Post-It note on his computer terminal displaying his password for all to see.

Ends of the continuum: Our staff had several nominations for the category of “Most Profanities Uttered by an Auditee in a Meeting;” we were unable to objectively decide which was the “winner.” On the more civil end of the continuum, an agency concluded a closing conference by having each of its participants provide us with a rating of how the meeting went—as measured by the number of hand-drawn “smiley faces” they gave us.

Some of the stereotypes about Minnesota are true... The 201-member Minnesota Legislature presently includes: three Andersons, four Johnsons, three Nelsons, three Olson/Olsens, and two Larsons. We have one state agency in which three of the four assistant commissioners are named Anderson, Olson, and Nelson. The seven-member Minnesota Supreme Court includes two Andersons, one Hanson, and a former Minnesota Vikings football player. In our office, the IT staff have given Scandinavian names to our internal web servers.

Liaison’s Corner

Is PART the Missing Link?

Denise Fantone (General Accounting Office)

One of President George Bush’s campaign promises in 2000 was to bring the kind of accountability to the federal government that he had brought to Texas as governor. In response to this pledge, his Administration has made the integration of performance and budget information one of five management priorities with the assessment of all federal programs as its goal. Through a series of diagnostic questions, the federal Office of Management and Budget (OMB) is using its Program Assessment Rating Tool (PART) to rate 20 percent of federal programs each year. So far, 40 percent have been assessed and the results reported in the President’s fiscal year 2004 and 2005 budget requests.

Elements of PART

The PART covers four aspects of a program and assigns different weights to each, they are: (1) purpose and design (20 percent), (2) strategic planning (10%), program management (20%), and (4) program results (50%). A program is rated as “effective,” “moderately effective,” “adequate,” or “ineffective” based on its overall score. A fifth rating of “results not demonstrated” may be applied regardless of a program’s score if OMB decides that either or both of the following conditions exists: performance information is inadequate or the agency is not using the right annual or long-term measures. In fact, in the first two years of PART assessments “results not demonstrated” was the rating given to 50 percent and 87 percent of the programs respectively. Not surprisingly, PART is getting considerable attention.

The U.S. General Accounting Office in its review of the first year of PART’s implementation found that it helped structure the discussion and use of performance information within agencies and between agencies and OMB. The need to respond to PART assessments required that budget analysts involve planning and program staffs in the budget process to a greater degree than in the past. While time-consuming, agency officials believed that they benefited from the internal engagement and exchange of information. Moreover, by posting the results of performance reviews and supporting worksheets to its Web site, OMB’s judgments and use of performance information were made transparent to agencies and the public. Less successful was the integration of the PART process with the statutory and management framework established by the Government Performance and Results Act of 1993 (GPRA). Department and agency officials we spoke with found that “programs” structured to serve the PART and budget processes were not always compatible with those used for planning. Some officials viewed the program-by-program assessments as a step backwards and detrimental to efforts to breakdown organizational “stovepipes.”

Although there was great interest in whether programs rated effective would be rewarded with funding increases and those rated ineffective with decreases, the first year PART assessments produced over 600 recommendations, of which only 18 percent had any direct funding implications. This was consistent with OMB statements that PART was primarily a management tool and would not be used mechanistically to determine funding. Our analysis showed that fiscal year 2004 PART scores could not explain a large portion of the variability in proposed budget changes. No programs were “zeroed out” as a result of being “PARTed” (although a number of programs were in fiscal year 2005). Instead, PART’s main contribution was its recommendations to improve program design, assessment, and management.

Limitations

Despite considerable attention by OMB to the implementation of PART, there are inherent limitations in
appropriations, they asked some big questions. The complexity of the federal government will always require some interpretation and judgment in assessing its performance and therefore it was understandable that we found inconsistencies in how OMB staff answered questions or rated programs. Moreover, gaps in program performance information, subjective terminology, and the scarcity of independent, quality evaluations further complicated OMB’s efforts to apply PART consistently.

PART clearly serves the needs of OMB in its budget deliberations. By linking performance directly to the budget process, the PART has the potential to promote demand for credible performance information, increase the attention paid to evaluation and performance among federal agencies and third party providers, allow for a non-incremental look at programs, and inform discussions in the executive branch. OMB’s ability to use the PART to identify and address future program improvements and measure progress is predicated on its ability to oversee the implementation of its recommendations.

**Small Shops**

**No Shop is Too Small for Big Tasks**

_Paul Headlee, A J Burns, Ned Parrish, Chris Shoppe, and Brook Smith_  
_(Office of Performance Evaluations, Idaho State Legislature)_

In early 2003, Idaho’s Joint Legislative Oversight Committee directed us to review fiscal accountability of K-12 public education. For our office, this work represented relatively uncharted and choppy waters because much of the work would be done at the local school district level. Unlike most state agencies, school districts were not familiar with our office and what we do. To make matters more interesting, we would be walking into the school districts right after some very tough legislative budget decisions had been made.

Completing this project on schedule was no small task and we were cognizant of many unique elements involved in working at the school district level, including local control, which if not addressed intelligently, could develop into the “perfect storm.” In this complex and controversial environment, we succeeded by keeping the project focused on fiscal accountability and not on issues of shifting control.

**Thinking Big**

The request for evaluation work in public education came from legislative leadership at a time when the Legislature was facing difficult budget decisions. As lawmakers grappled with the education budget, which accounted for nearly half of all state general fund appropriations, they asked some big questions:

- How are school districts using the funding they have received?
- Have these funds been used efficiently and appropriately?
- Are there opportunities to reduce district costs without negatively impacting instruction and student achievement?

In responding to lawmakers’ questions, we didn’t think small. After much discussion with legislative leaders, education committee members, and other interested legislators, we proposed a multi-phased review designed to address many of their questions.

We started our work by preparing a report summarizing school district revenues and expenditures. The idea for this report came from our review of reports issued by the Arizona Office of the Auditor General’s School Audits Division and the National Center for Education Statistics. We completed this study, amazingly, in five weeks to provide lawmakers the information they requested before the end of the 2003 session. We focused the study on the day-to-day operating expenditures of school districts, such as district costs for instruction, administration, pupil transportation, and food services, and compared revenues and expenditures to the national average and neighboring states.

After releasing this first report and obtaining additional input from lawmakers, we proposed in-depth studies of school
district administration and pupil transportation programs, two of the largest non-instructional cost areas of Idaho school districts. We focused our efforts on the oversight and reporting systems that were in place to hold districts accountable for their use of state monies. We issued these reports earlier this year, and now are gearing up for phase three of our public education work—a review of state supported technology initiatives.

Reaching Out to Key Stakeholders

One of the first and most important steps we took was to meet with the key players in Idaho’s education arena. We sought input from Legislative Leadership, the Joint Legislative Oversight Committee, Senate and House Committees on Education, the Governor’s Office, and pertinent education associations. In addition to working closely with the State Board of Education and the State Department of Education, we kept the staff of the legislative and executive budget offices informed. This approach resulted in cooperation and acceptance of our methodologies and in development of workable recommendations.

Planning Site Visits

Conducting on-site visits to school districts was an integral part of our evaluations. We began by visiting two nearby districts to “pilot test” our methodology, and found each district had varied business practices. We learned that we would have to be flexible and innovative to obtain meaningful data. We then reviewed information for each of Idaho’s 114 school districts and selected 23 for on-site visits based on staffing, costs, location, and other factors. Visiting this many districts increased the project’s credibility and also impressed Department of Education staff who do not have the resources to visit more than a few districts each year.

Geographically speaking, Idaho is a large state and visiting 23 districts posed some challenges with respect to a limited travel budget, lack of time, and the logistics of managing travel plans. Coordinating interviews during the summer months when many educational professionals have other commitments required both creativity and flexibility.

Directing Recommendations to the Right Entity

After analyzing the information gathered in our trek across the state, it came time to formulate our recommendations for improvement. Our work revealed a number of problems affecting district operations, but problems in some districts were not problems in others. Blanket recommendations for all 114 districts would not have been appropriate and the follow-up work would have been a life-consuming venture.

We chose to direct the recommendations to the State Department of Education and State Board of Education, and suggested the Legislature make necessary statutory changes. Directing recommendations at the state level allowed for improved state oversight and accountability of public education tax dollars.

Getting the Message Out

In a late November staff meeting, we gathered to assess our project timelines for the final stages of report writing and editing, and preparation for presentations and committee meetings. We studied our calendars, counted days, and strategically moved deadlines like pieces on a chessboard. One staff member quipped, “This will work if we move Christmas into January.” Although challenging, we knew that completing these final stages by the beginning of the 2004 legislative session would be critical to the usefulness of our reports to lawmakers.

Once the final reports were released in January 2004, we shifted our energy to broadcasting the message. We made nine presentations to key legislative committees and the State Board of Education. Our work paid off as the appropriations committee relied on our reports for setting parts of the education budget. For example, there was a budget adjustment of nearly $2 million, shifting funds to other education priorities, based in part, on information from our pupil transportation report. In addition, four bills addressing report recommendations were passed and other measures were taken to improve the efficiency and accountability of school district operations.

The Result of Managing Big Tasks – More Big Tasks

Our small shop was able to manage the large education project on time and within budget, and we successfully worked at the school district level. As anticipated, our reports turned out to be very useful to legislators during the session. We have been assigned three new projects this year, all very large, with January deadlines. Nonetheless, we embark on these new projects with confidence knowing that no shop is too small to manage big tasks.

News From the Field

Earlier this year, the Texas Sunset Commission staff recommended abolishing Texas’ separate Barber and Cosmetology licensing boards and performing licensing functions in an existing “umbrella” licensing agency with several other occupations. As many of you in other states have seen, this is easier said, than done. However, the Sunset Commission did vote to merge the two boards and operate one agency to deal with hair and nails. Interestingly enough, in public testimony, the Commission did get to see a video close-up of an extremely infected big toe. It was the highlight of the day.
Smart Networking Starts in Tallahassee on October 27 – 30, 2004

Keynote Speaker
David Walker
Comptroller General of the United States

Over 30 Sessions and Workshops

PLAN TO JOIN YOUR COLLEAGUES!

For more information, please contact Flora Caruthers (850) 487-9226 or Wade Melton (850) 488-6994.
Office Happenings

Georgia
Paul Bernard, director of the Georgia Performance Audit Operations Division, will be retiring at the end of August after many years of service.

Idaho
Rachel Johnstone joined the Office of Performance Evaluations as a performance evaluator in June.

Mississippi
The Legislative PEER Committee welcomes Antwyn Brown as a new evaluator.

Montana
The Montana Legislative Audit Division has been in the hiring mode. With retirements, we had about a 40% turnover in performance audit staff. New staff members are: Bridget Butler, Misty Wallace, Diedra Metcalie, and Steve Erb. Senior auditors still hanging in there are Lisa Blanford, Kent Rice, Joe Murray, Kent Wilcox and Angus Maciver. Angie Grove and Mike Wingard are still managing and Jim Pellegrini is still deputized.

Ohio
The Legislative Office of Education Oversight Committee has welcomed three new program evaluators: Jasmeen Khilji, John Osae-Kwapong, and Kristi Phillips-Schwartz, as well as two interns, Kara Marshall and Ronald Romito. We are especially pleased to announce two April babies: Gabriela Panizo, daughter of Sherry Panizo, and Madeline Pavelka, daughter of Jennifer Pavelka. Sadly, we said goodbye to Cortney Rowland, who has moved to Illinois for a doctorate program and continuing work in evaluation.

Tennessee
Denise Denton, a senior legislative research analyst, who has been with the Offices of Research and Education Accountability for seven years, has resigned to enter a doctoral program in social work at the University of Georgia. Denise has been our judicial system specialist and has also worked extensively with children's issues.

Texas Sunset
John Hawkins, a senior policy analyst with the Sunset Advisory Commission in Texas, has left the building. John has moved on to the private sector and will do government relations work for the Texas Hospital Association. The Sunset Commission has hired several new policy analysts, including Kate Bowie, Margaret Murphy, Kelly Kennedy, David Olvera, and Nathan Ahmann.

Texas
Lawrence F. Alwin, CPA, Texas State Auditor, resigned his position effective March 31, after serving in that capacity for nineteen years. He is continuing to serve until the Legislative Audit Committee names a successor.

Utah
The Office of the Utah Legislative Auditor General has recently moved into new offices as a result of a still in progress, multimillion dollar capitol renovation. The office's new address is W315 State Capitol Complex, Salt Lake City, Utah 84114-5515. Come on out and visit us during NCSL's Annual Meeting in Salt Lake City.

Virginia
Glen Tittermarcy was promoted to the position of Deputy Director of Virginia's Joint Legislative Audit and Review Commission. Glen joined JLARC in September 1978 as an assistant legislative analyst. In addition, Hal Greer has been promoted to Division Chief and Legal Advisor at Virginia's JLARC. Hal has been with JLARC since 1994 as a team member and project leader.

Washington
Please join the staff of Washington's Joint Legislative Audit and Review committee in welcoming our new Legislative Auditor, Cindi Yates. Cindi served the past ten years as a deputy secretary at the Department of Corrections and has prior experience with the Senate fiscal committee and Washington's Department of Revenue. Tom Sykes, former Legislative Auditor, retired at the end of May after twenty-six years with the State of Washington. Finally, congratulations go out to JLARC Analyst, Stephanie Hoffman and her husband, Joel Sacks, on the arrival of baby Gabrielle Maya.

Wisconsin
The Legislative Audit Bureau is pleased to welcome Rochelle Bauman, Erin Dietrich, and Kate Strom Hiorns, who joined the Program Evaluation Division in early June.

Wyoming
The Wyoming Program Evaluation Section welcomes two new hires, Karla Smith and Jim Reuss, as associate program evaluators.
I seem to use this space in each newsletter to thank all of you who author articles. Again, please accept my heartfelt thanks for your assistance. Plus, please cut me some slack—I am finishing this issue without the assistance of PEER’s very capable editor who is vacationing.

Due to a lack of space, you will not find any information in this issue regarding NCSL’s Annual Meeting, which is scheduled for July 19-23 in Salt Lake City, Utah. As usual, NLPES will sponsor or cosponsor several informative sessions. I hope your state budgets will allow you to attend this very beneficial annual event!

James Barber