

SENATE BILL REPORT

SB 5226

AS REPORTED BY COMMITTEE ON WAYS & MEANS, MARCH 8, 1993

Brief Description: Providing for additional evaluation of state programs.

SPONSORS: Senators Skratek, Haugen, Talmadge, Winsley, M. Rasmussen and Quigley

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 5226 be substituted therefor, and the substitute bill do pass.

Signed by Senators Rinehart, Chairman; Spanel, Vice Chairman; Bauer, Bluechel, Cantu, Gaspard, Hargrove, Hochstatter, McDonald, Moyer, Niemi, Pelz, Quigley, Roach, Snyder, Sutherland, Talmadge, West, Williams, and Wojahn.

Staff: Steve Jones (786-7440)

Hearing Dates: March 5, 1993; March 8, 1993

BACKGROUND:

Fiscal management and evaluation of state agencies and programs are the responsibility of several state agencies. The Legislative Budget Committee conducts performance audits of state programs and agencies and makes recommendations to the Legislature to improve government effectiveness and efficiency. The Office of Financial Management provides budget planning and fiscal administration for executive branch agencies. The office of State Auditor conducts financial audits of all state agencies and local governments. The Auditor is prohibited from conducting performance audits.

SUMMARY:

In developing budget proposals to the Legislature, state agencies are required to establish result-oriented goals, objectives, and success measures.

The Office of Financial Management (OFM) shall develop a system of internal controls and internal audits as fiscal safeguards and to promote operational efficiency. Each agency is responsible for maintaining these internal controls, which are to be used by the State Auditor in conducting financial examinations.

OFM is required to prepare a process for strategic planning to establish goals and objectives for the key functional areas of state government. The Governor shall report to the Legislature on the status of the strategic planning process in January 1994.

The Legislative Budget Committee shall establish a biennial work plan for agency performance audits and program evaluations. The committee may employ contract evaluators for this purpose.

EFFECT OF PROPOSED SUBSTITUTE:

The State Auditor may conduct performance audits only as authorized to do so in the state biennial budget act. Where information relating to agency performance is discovered incidental to a financial audit, the State Auditor may report to the Legislature.

The requirement of a strategic planning process by OFM is deleted.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

The state has no long-term planning process for agencies to set measurable goals and objectives. The bill uses the state's existing tools to improve the management and evaluation of state programs.

TESTIMONY AGAINST: None

TESTIFIED: Senator Sylvia Skratek