

2 SSB 5633 - S AMD - 235
3 By Senators Prince and Haugen

4 WITHDRAWN 3/19/97

5 On page 3, after line 11, insert the following:

6 "NEW SECTION. **Sec. 3.** The legislative transportation committee
7 shall conduct a performance audit of the office of financial management
8 and the department of social and health services, focused on (1) the
9 adequacy and efficacy of the office of financial management's fiscal
10 and policy support to the legislature, particularly with regard to
11 transportation issues; and (2) the financial management of the
12 department of social and health services, with particular emphasis on
13 the lack of institutional control over expenditures, and their effect
14 upon the provision of transportation services to the elderly and
15 disabled. The performance audit shall be an objective and systematic
16 assessment of the programs administered by the departments, including
17 each program's effectiveness, efficiency, and accountability. The
18 legislative transportation committee shall contract with independent
19 evaluators as needed.

20 (2) In conducting the performance audit, the independent evaluator
21 shall involve the departments' frontline employees, department and
22 program managers, customers of the departments' programs and services,
23 other taxpayers, legislators, legislative staff, and other external
24 public and private sector experts as deemed appropriate in conducting
25 the performance audit. On behalf of the legislative transportation
26 committee, the independent auditor shall be provided direct and
27 unrestricted access to information held by the departments, which shall
28 submit all data and other information requested by the committee.

29 (3) The performance audit shall identify those activities and
30 programs of the departments that should be strengthened, those that
31 should be abandoned, and those that need to be redirected or other
32 alternatives explored. In conducting the audit, the following
33 objectives shall be addressed as appropriate:

34 (a) Identify each of the departments' discrete functions or
35 activities, along with associated costs and full-time equivalent staff;

1 (b) Determine the extent to which the particular activity or
2 function is specifically authorized in statute or is consistent with
3 statutory direction and intent;

4 (c) Establish the relative priority of the program among the
5 departments' functions;

6 (d) Consider whether or not the purpose for which the program was
7 created is still valid based on the circumstances under which the
8 program was created versus those that exist at the time of the audit;

9 (e) Recommend organizations or programs in the public or private
10 sector to be used as benchmarks against which to measure the
11 performance of the program or function;

12 (f) Determine whether or not the program or function is achieving
13 the results for which it was established;

14 (g) Identify alternatives for delivering the program or service,
15 either in the public or private sector;

16 (h) Identify any duplication of services with other government
17 programs or private enterprises or gaps in services;

18 (i) Identify the costs or implications of not performing the
19 function;

20 (j) Determine the frequency with which other states perform similar
21 functions, as well as their relative funding levels and performance;

22 (k) In the event of inadequate performance by the program, identify
23 the potential for a workable, affordable plan to improve performance;

24 (l) Identify, to the extent possible, the causes of any program's
25 failure to achieve the desired results and identify alternatives for
26 reducing costs or improving service delivery, including transferring
27 functions to other public or private sector organizations;

28 (m) Develop recommendations regarding statutes that inhibit or do
29 not contribute to the department's ability to perform its functions
30 effectively and efficiently;

31 (n) Evaluate the effectiveness of the departments' governance and
32 the legislature's policy and fiscal oversight of the departments; and

33 (o) Develop an advisory recommendation regarding whether the
34 departments' programs or activities should be continued, abandoned, or
35 restructured.

36 (4) The performance audit shall be conducted under the procedures
37 established in chapter 44.28 RCW, including the preparation of
38 preliminary and final audit reports under RCW 44.28.088 and a follow-up
39 compliance report under RCW 44.28.091. The preliminary audit report

1 shall be completed by August 1, 1998, and the final audit report shall
2 be published by November 1, 1998.

3 NEW SECTION. **Sec. 4.** If specific funding for the purposes of this
4 act, referencing this act by bill or chapter number, is not provided by
5 June 30, 1997, in the transportation appropriations act, this act is
6 null and void.

7 Renumber the sections consecutively and correct any internal references accordingly.

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EFFECT: Directs the legislative transportation committee to undertake a performance audit of the department of social and health services and the office of financial management.