
SUBSTITUTE HOUSE BILL 2618

State of Washington

57th Legislature

2002 Regular Session

By House Committee on State Government (originally sponsored by Representatives Romero, Dickerson, Ruderman and Ogden)

Read first time 02/08/2002. Referred to Committee on .

1 AN ACT Relating to public accountability and the reviews of state
2 agencies; amending RCW 44.28.071; adding a new section to chapter 44.28
3 RCW; creating a new section; and providing an effective date.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds that the use of
6 outcome and performance measures is necessary for demonstrating the
7 accountability of state government to the public. The legislature also
8 finds that performance measurement is integral to the efficient and
9 effective management and operation of state agencies and programs.
10 Thus, the legislature intends to expand its review of these measures to
11 provide greater accountability to the public and to ensure that state
12 government has effective systems for assessing performance.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 44.28 RCW
14 to read as follows:

15 (1) The joint legislative audit and review committee shall conduct
16 audits of the performance and outcome measures of state agencies and
17 programs that have significant fiscal or program impacts, represent
18 major policy issues facing the state, or otherwise have compelling

1 public interest. In identifying the state agencies or programs for
2 audits, the joint committee shall consult with appropriate fiscal and
3 policy standing committees of the legislature. These audits of
4 performance and outcome measures shall eventually include all agencies
5 of state government. In conducting the audits, the joint committee
6 shall work in cooperation with the office of financial management and
7 state agency personnel.

8 (2) The joint committee shall develop a schedule and common
9 methodology for conducting these audits. The audits shall include, but
10 not be limited to, the following:

11 (a) Determine whether the performance and outcome measures are
12 consistent with legislative mandates, strategic plans, mission
13 statements, and goals and objectives;

14 (b) Examine how agency management uses the measures to manage
15 resources in an efficient and effective manner;

16 (c) Assess how performance benchmarks are established for the
17 purpose of assessing overall performance compared to external standards
18 and benchmarks;

19 (d) Assess how customer satisfaction, both internal and external,
20 is integrated with performance and outcome measures to make operational
21 improvements;

22 (e) Examine how an analysis of the measurement data is used to make
23 planning and operational improvements;

24 (f) Determine how performance and outcome measures are used in the
25 budget planning, development, and allotment processes;

26 (g) Review how performance data are reported to and used by the
27 legislature;

28 (h) Assess whether the performance measure data are reliable and
29 collected in a uniform and timely manner; and

30 (i) Make recommendations as necessary.

31 (3) Completed performance measure audits shall be presented to the
32 joint committee and published in the same manner as prescribed for
33 performance audits in RCW 44.28.088. Final reports shall also be
34 transmitted to the appropriate policy and fiscal standing committees of
35 the legislature.

36 (4) The joint committee shall complete audits of the performance
37 and outcome measures for the department of social and health services,
38 the department of ecology, and the office of the superintendent of
39 public instruction by June 30, 2003, and shall present to the policy

1 and fiscal committees of the legislature, by June 30, 2003, and
2 assessment of the results of these audits. In addition to results,
3 this assessment shall include recommendations on how the review process
4 might be improved, and options for extending the review process to
5 other agencies and programs, through the joint committee's biennial
6 work plans.

7 (5) The joint legislative audit and review committee shall develop
8 an implementation plan to complete audits of all government agencies
9 and report this plan to the legislature no later than January 31, 2003.
10 Recommendations on how the review process might be improved shall be
11 included in the plan.

12 (6) The joint committee may consult with or contract with public
13 and private independent and technical experts as necessary in
14 implementing the duties identified in this section.

15 (7) For purposes of this section, "state agencies" includes all
16 elected state executive officials and all departments, divisions,
17 boards, commissions, and institutions of the executive branch of state
18 government.

19 **Sec. 3.** RCW 44.28.071 and 1996 c 288 s 9 are each amended to read
20 as follows:

21 (1) In conducting performance audits and other reviews, the
22 legislative auditor shall work closely with the chairs and staff of
23 standing committees of the senate and house of representatives, and may
24 work in consultation with the state auditor and the director of
25 financial management.

26 (2) The legislative auditor may contract with and consult with
27 public and private independent professional and technical experts as
28 necessary in conducting the performance audits. The legislative
29 auditor should also involve front-line employees and internal auditors
30 in the performance audit process to the highest possible degree.

31 (3) The legislative auditor shall work with the legislative
32 evaluation and accountability program committee and the office of
33 financial management to develop information system capabilities
34 necessary for the performance audit requirements of this chapter.

35 (4) The legislative auditor shall work with the (~~legislative~~
36 ~~office of performance review and the~~) office of financial management
37 to facilitate the implementation of effective performance measures
38 throughout state government. In agencies and programs where effective

1 systems for performance measurement exist, the measurements
2 incorporated into those systems should be a basis for performance
3 audits conducted under this chapter.

4 NEW SECTION. **Sec. 4.** This act takes effect July 1, 2002.

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