



**State of Iowa**  
**State Agency Performance and**  
**Program Review**

Legislative Interim Committee

September 9, 2009



# Outline of Presentation

- Background
  - Public Works LLC
  - Why I Founded Public Works
  - Prior Work for Culver as SOS, Governor-Elect, & Governor
- Performance Reviews
  - A Quick History
  - What This is and What This Isn't
  - Examples

Today's Standard Edition  
**Arkansas Democrat  Gazette**  
SUBSCRIPTION REQUIRED

## **Audit right, health agency needs help, Boozman says**

**BY NELL SMITH ARKANSAS  
DEMOCRAT-GAZETTE**

"I have to say, I prepared myself for a proctology exam," he said, "and ended up with really a very pleasant experience."

# About Public Works LLC

- National Reach
- High-Level Experience
- Wide-Ranging Policy Involvement
- High-Level Impact

# A National Firm

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www.50states.com



OREGON  
www.50states.com



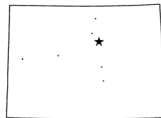
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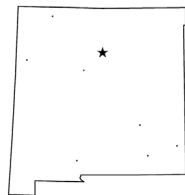
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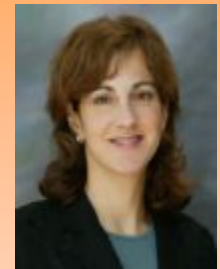
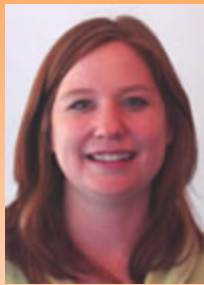
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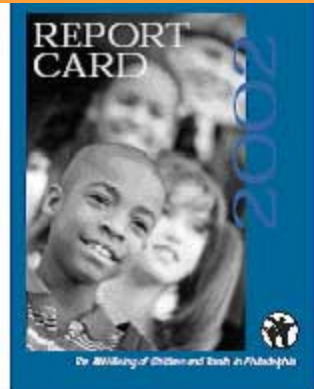
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# High-Level Experience



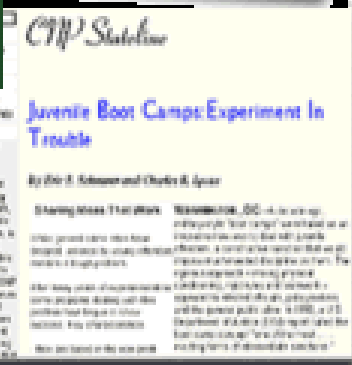
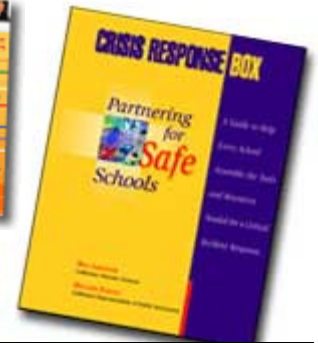
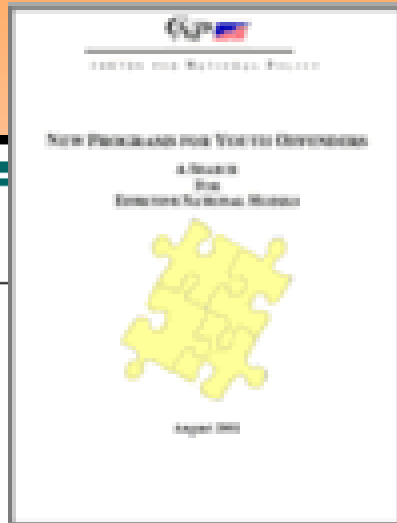
# Public Works: Creative Policy



**CNPE**  
Center for National Policy

Early Child Care and Education  
*The Need for a National Policy*

by  
Jennifer Kolker, David Osborne and Eric Schwarz



# Breaking Intellectual Ground



## **Beyond Enforcement:** Making Labor Standards Smarter For the 21st Century A Report to the California Department of Industrial Relations

### Proposed New Labor Standards Structure

#### Enforcement System

- **Crack-Down Tier:** streamlined enforcement & increased penalties for serious offenders.
- **Correction Tier:** diversionary track, corrective measures.
- **Complaint Tier:** easier compensation for workers in *de minimis* and isolated situation.

#### Compliance System

- **Compliance Tier:** negative and positive incentives for problem firms.
- **Cooperative Tier:** generalized private compliance and public assistance efforts.
- **Congratulatory Tier:** recognition, rewards, & reduced oversight for exemplary performers.



# Making Policy Approachable

## Philadelphia Children's Budget & Report Card

- Tracks and aggregates all spending in the city on children - across program lines and government levels.
- Specifies objectives for the city across a wide range of child welfare measures.
- Annually "grades" the city on their attainment
- Assesses how well the spending initiatives relate to the outcomes.

### Desired Results and Indicator Ratings

#### Children are Born Healthy, Thrive, and are Ready for School.

<b>2</b> Promising	Infant deaths	2
	Infants born at low birth weight	3
	Women with inadequate prenatal care	2
	Readiness for school	2
	Early care and education	1

#### Children and Youth Live in Stable and Supportive Families.

<b>3</b> Mixed	Children living in poverty	3
	Children receiving Medical Assistance	3
	Child abuse and neglect	2
	Youth in out-of-home placements	3

#### Children and Youth Practice Healthy Behaviors and Do Not Engage in High Risk Behaviors.

<b>3</b> Mixed	Reported pregnancy rate ages 15-17	2
	Substance abuse among high school youth	3
	Reported sexual behavior	3
	Sexually transmitted diseases	4
	Death rate for persons ages 15-10	2
	Healthy lifestyles	3

#### Children and Youth Live in Safe and Supportive Communities and Environments.

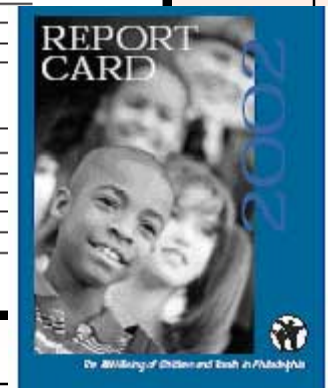
<b>5</b> Problematic	Juvenile victims of crime	5
	Homicide victims ages 7-24	3
	Juveniles arrested for drug-related offenses	
	Assaults inside public schools	
	Youth development opportunities	

#### Children and Youth Achieve In School and Make a Successful Transition to Adulthood.

<b>3</b> Mixed	Student achievement (TerraNova)	
	Percent scoring Proficient, Advanced (PSSA)	
	Four year on-time graduation	
	9th graders who drop out within 4 years	
	School attendance	
College entrance examination scores		

4

\* = insufficient data exist at the time to rate the indicator.



# Tackling Issues that Affect Lives

- West Virginia health care coordination
- Richardson national health care plan – universal coverage paid for 80% by savings in system
- Delaware Insurance Commissioner – development of low-cost insurance product.
- Georgia Department of Community Health – low-cost senior prescription drug coverage program.
- California Department of General Services: Prescription drug procurement costs and coverage for targeted populations.



## Towards A Healthy West Virginia: A Strategic Vision and Action Plan

April 2007

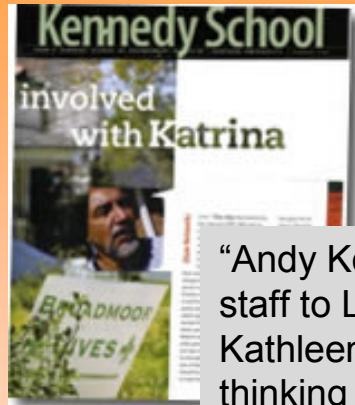
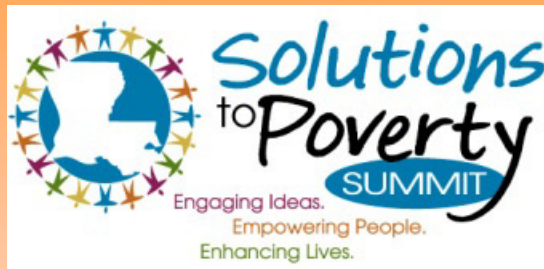
Towards a Healthy West Virginia was prepared for the Governor's Office by  
**Public Works LLC.**

Governor Joe Manchin III  
1900 Kanawha Boulevard East  
Charleston, West Virginia 25305



Public Works LLC  
1690 East Strasburg Road  
West Chester, PA 19380  
[www.goodideas.us](http://www.goodideas.us)

# Serving the Public Good

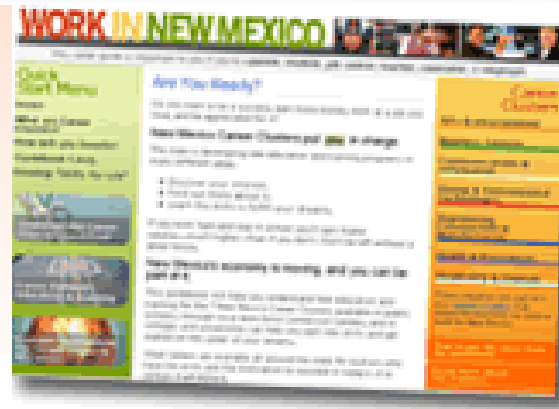


“Andy Kopplin, MPP 1992, chief of staff to Louisiana's governor Kathleen Blanco, wanted fresh thinking on what, from the state's perspective, should be in the federal relief legislation that was apparently going to move through Congress any day. “Andy wanted someone whom he thought could think about the interests of displaced Louisianans and what should be in the federal relief legislation to help them,” Schnurer says. “He more or less gave me 24 hours.”

- ❖ **LA Workforce Commission**
- ❖ **Governor's Blue Ribbon Taskforce on Workforce Development**
- ❖ **Governor's Office**
- ❖ **Department of Social Services**
- ❖ **LRA**
- ❖ **LHFA**
- ❖ **Recovery School District**



# A Range of Subject Experience



# Depth of Subject Experience

- ❖ **Pennsylvania Pathways to Advancement Leadership**
- ❖ **Department of Labor & Industry Career Ladder System**
- ❖ **Pennsylvania Adult Learning Taskforce**
- ❖ **Pennsylvania Career Readiness Credential Task Force**
- ❖ **Oklahoma Workforce Statewide Delivery System Review**
- ❖ **Oklahoma Local WIB Review and Analysis**
- ❖ **Arizona Departments of Commerce and Economic Security: Strategic Plan**
- ❖ **P-20 Council, *From Education to Work: Is Arizona Prepared?***



# Depth of Subject Experience

- ❖ **California Department of Education: Career & Technical Education for the 21<sup>st</sup> Century**
- ❖ **California State University: “CSU Advantage”**
- ❖ **New York State Controller’s Office: Review of Workforce Development Programs**
- ❖ **West Virginia 21st Century Jobs Cabinet**
- ❖ **Louisiana Workforce Commission: Resource Map**



# High-Level Impact



- Mine safety.
- Workplace drug testing.
- School safety.
- Promoting college attendance.
- Transform struggling schools.
- Renewable energy.
- Energy efficiency.
- Water conservation.
- Teacher salaries and accountability standards.
- After-school enrichment programs.
- School drop outs.
- Substance abuse.

# Origin of Public Works

- Chief of Staff, Pennsylvania Lt. Governor/  
Acting Governor Mark Singel  
1993-1994



April 19, 1992

"We are unimpressed with Lt. Gov. Mark Singel – the kind of career politicians who is giving career politicians a bad name."

October 30, 1994

"Mark Singel demonstrates more vision and sense than ... the others on the ballot.... Singel's blueprint for Pennsylvania is so much stronger that he deserves this opportunity to lead the state."



# Public Works Objectives

- Provide high-quality strategic and management consulting services to state-level decision-makers.
- Heavy emphasis on policy.
- Primary focus on improving human capital investment – education, workforce, health care, alleviating poverty.
- Dramatically reducing the cost of consulting services:
  - Low overhead
  - Government-equivalent pay scales
  - Flexible teams and flat bureaucracy
  - Just-in-time servicing
  - Longer-term, lower-priced engagements
  - Information is cheap, know-how is the value-added
  - Get things done, don't just tell them what they already know
  - Effective use of technology

# Policy Areas for Gov. Culver



- Iowa Power Fund.
- Alternative energy.
- Housing programs.
- Economic development.
- State budget.

# Public Policy Background

- **Education**

- **Brown University**, AB, Honors in Political Science.
- **Harvard University**, JFK School of Government, MPP. Editor-in-Chief, *Governance: A Journal of Public Policy*.
- **Columbia Law School**, JD. Harlan Fiske Stone Scholar. Member, *Columbia Law Review*.

- **Professional Experience**

- **Government**: Chief-of-staff, deputy counsel to Governor.
- **Speechwriter**: White House, Governors, US Senators.
- **Criminal prosecution**: U.S. Attorney's Office; Deputy U.S. Special Prosecutor.
- **Constitutional Law**: NAACP Legal Defense Fund, Common Cause, League of Women Voters.
- **Professor of Public Policy**: UPenn, Brown University, Woodrow Wilson Fellow.
- **Author**: Aspen Institute, *New York Times*, *Washington Monthly*, *Atlantic Monthly*, *American Prospect*.

# Gubernatorial Appointments



DELAWARE RIVER PORT AUTHORITY  
of Pennsylvania and New Jersey

- Commissioner, Delaware River Port Authority – appointed by Pennsylvania Gov. Mark Single (**Democrat**)



PENNSYLVANIA COMMISSION ON CRIME AND DELINQUENCY

- Commissioner, Pennsylvania Commission on Crime & Delinquency – appointed by Pennsylvania Gov. Tom Ridge (**Republican**)

# Our Performance Reviews

- Origins & History
- Our Approach
- Results
- Our Product

# Performance Reviews: Origins & History

- Texas – The first in the nation
  - Saved more than \$4 Billion the 1<sup>st</sup> year
  - **Public Works** staff helped manage and served on the Texas Performance Review



- National Performance Review (Clinton/Gore)
  - Saved \$108 billion 1<sup>st</sup> year
  - Brought federal employment to lowest level since Eisenhower





CAN'T WE GET THESE  
BUMS OFF TH' STREET?

I'M AFRAID THOSE ARE  
ALL GOVERNORS, SIR .....

BROKE

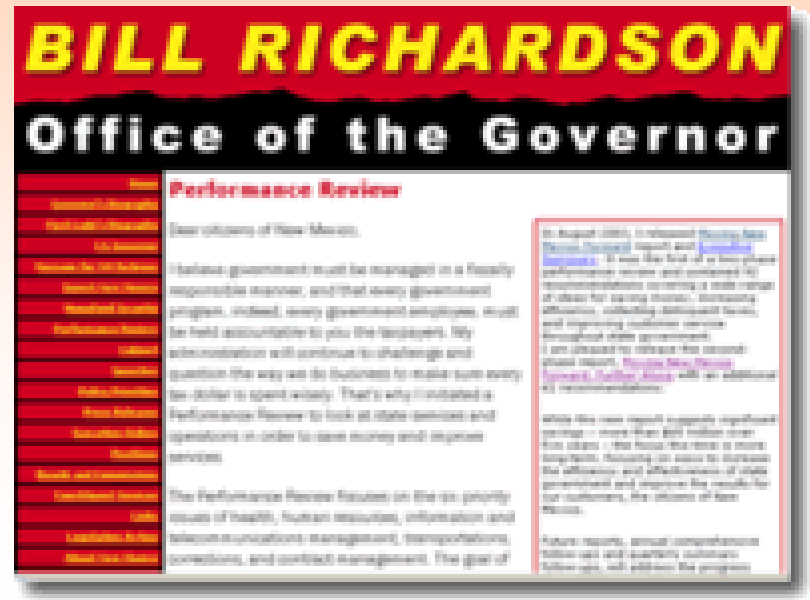
Destitute

FOR  
GODS SAKE  
HELP!

BEN SARGENT  
© 2002 The New Yorker Magazine

# New Mexico Performance Review

- Worked with team from 22 state agencies
- A hotline and website for New Mexicans to weigh-in; e-survey to 16,000 employees
- Six months from start to publication
- \$100 million (5%) of annual non-educational general fund budget in 1<sup>st</sup> year
- Almost \$400 million over 5 years



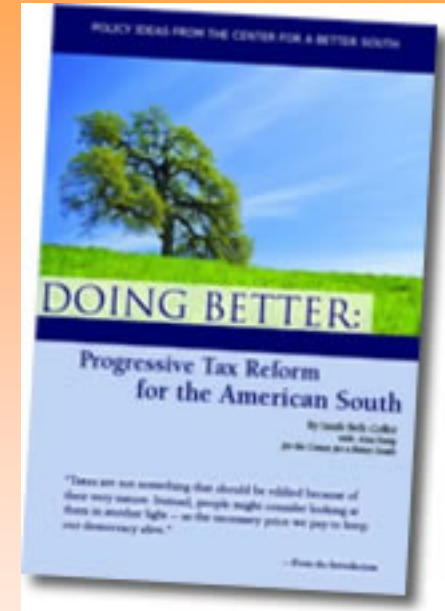


# What They've Said

Commentary on the NMPR

## Center for a Better South

“Each Southern state should conduct a comprehensive performance review to boost government efficiency, save money and improve customer service.... To fail to invest in a performance review fails taxpayers.”



## New Mexico Performance Review

“New Mexico Gov. Bill Richardson established the New Mexico performance review by executive order in May 2003. The state Department of Finance and Administration, with the help of a private contractor, coordinated the work of eight teams made up of private-sector consultants and state employees.”

# West Virginia Performance Review

- Examined 5 areas of state government
  - HHS, Transportation, Purchasing, Environmental Protection and Corrections
- First phase completed in 4 months.
- Projected \$60 million in 1<sup>st</sup> year, \$318 million savings over 5 years.
- Actual first-year savings: \$77 million, 5-year projection raised to \$389 million
- Actual two-year savings: \$201.7 million.



# What the Administration Has Said



"... I am bringing to you recommendations of the cost savings reports my administration commissioned from the nationally recognized consulting firm **Public Works**. These reports identify areas within state government where millions of dollars of cost savings can be generated over the next five years. In fact, we have already saved more than \$26 million by administratively implementing several of these recommendations."

— **Governor Joe Manchin**  
**2007 State of the State Address**

**wvgazette.com**

WV pares \$201M from spending, credits advisor

**publicworks**  
making good Ideas work for the better

# What The Media Said

Headlines from WV Press

**“ What the firm’s president, Eric Schnurer, and his staff uncovered, in some respects, was mind-boggling.”**

**– Register-Herald Reporter**



## Government Cuts Are Long Overdue

Authored by Public Works LLC, the report is long on details and good ideas. It offers specific ways to cut expenses in a number of state divisions.



## **Study Finds Ways to Save Taxpayers A Few Dollars**

We commend [Governor Manchin] for commissioning the study and encourage him to implement its recommendations as soon as possible.

Charleston  
**Daily Mail**  
**\$500,000 becomes \$77 million for state**

# BILL RITTER

Colorado's Governor



## GOV. RITTER LAUNCHES GOVERNMENT EFFICIENCY AND MANAGEMENT (GEM) PERFORMANCE REVIEW

Gov. Bill Ritter today launched the innovative Government Efficiency and Management (GEM) performance review, a top-to-bottom examination of how state government can more efficiently and cost-effectively deliver services to the people of Colorado. “The GEM review is not a line-item budget-cutting exercise,” Gov. Ritter said. “GEM is a bottom-up review that will result in long-term savings so that we can be as fiscally conservative with taxpayer dollars as possible. The GEM review will be led by public policy experts at **Public Works** along with a team of 20 state employees.



## denverpost.com

THE DENVER POST

**Ritter plans reforms to streamline government, cut costs**

## Rocky Mountain News.com

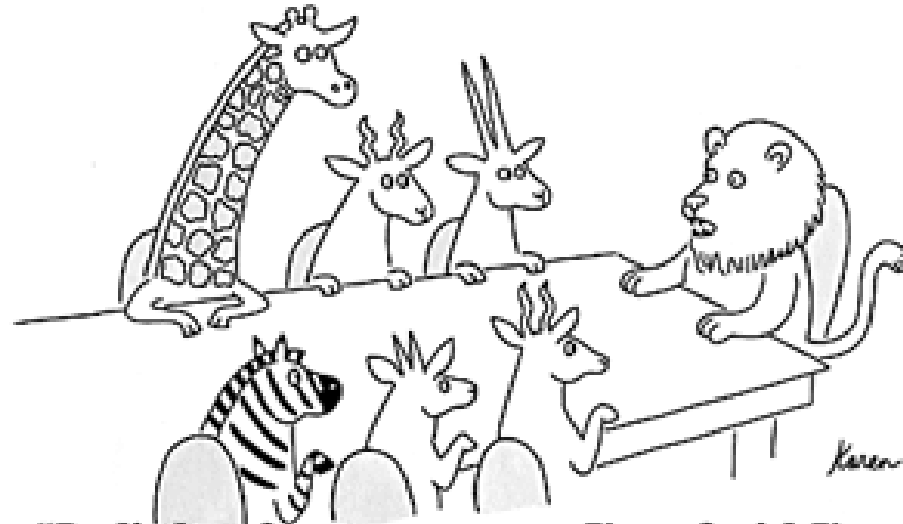
**Ritter says efficiencies can save \$145 million over 5 years**

## DENVER BUSINESS JOURNAL

**Review IDs ways to improve government efficiency**

# Our Approach

© Cartoonbank.com



*"In light of recent events, I'm afraid I'm going to have to eat some of you."*

# What Performance Reviews Achieve

- NOT about cutting line-items.
  - Everyone says: “We’ve cut everything there is to cut.”
  - We say: Don’t cut budget items – cut inefficiency, savings follow (although there are programs that can be cut).
- Save money
- Increase efficiency
- Eliminate waste
- Improve customer service



# Detailed Projections

Fiscal Table

(numbers in thousands)

Recommendation	2005		2006		2007		2008		2009		Cumulative	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Reduce State Landscaping Water Use	-	-	-	-	-	-	-	-	-	-	-	-
Conserve Ground Water: Evaluate Domestic Well Applications	-	-	-	(172.8)	-	147.2	-	147.2	-	147.2	-	268.8
Strengthen Long-Term Water Resources Planning	-	-	-	-	-	-	-	-	-	-	-	-
Improve Forest Conservation and Protection	-	-	(340.2)	-	(157.2)	-	(157.2)	-	-	-	(654.6)	-
Improve Air and Water Quality Appeals Process	-	-	8.5	-	8.5	-	8.5	-	8.5	-	34.0	-
Improve State Agency Environmental Performance	-	-	-	-	-	-	-	-	-	-	-	-
Require Results from Environmental Cleanup Contractors	-	-	-	34.8	-	34.8	-	34.8	-	34.8	-	139.2
Recover Cleanup Costs from Polluters	-	-	-	-	-	-	-	-	-	-	-	-
Reduce Environmental Cleanup Costs: Require Private Insurance	-	-	-	3,000.0	-	3,000.0	-	7,500.0	-	7,500.0	-	21,000.0
Streamline Solid Waste Permit Hearings	-	-	1.5	-	1.5	-	1.5	-	1.5	-	6.0	-
<b>TOTALS</b>	-	-	(330.2)	2,662.0	(147.2)	3,182.0	(147.2)	7,682.0	10.0	7,682.0	\$ (614.6)	\$ 21,408.0



# Examples

- **Employ technology to fight Medicaid fraud – NM/WV/CO**
- **Implement Reverse Auctions – NM**
- **Calibrate salt spreaders to reduce ice removal costs – WV**
- **Reduce free postage for prisoners – NM**
- **Consolidate agency mail service – CO**
- **Combine Mining Commissions – NM**
- **Consolidate highway pipe types - WV**
- **Require doubled-sided printing – NM**
- **Dental checks during pregnancy – WV**
- **Eliminate blank report pages – CO**

Questions?





[www.public-works.org](http://www.public-works.org)

