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## Why Measure Performance in the Budget?

### *Performance Measurement Data*

A constant challenge facing the Chair, the Board, and the staff during the budget process and beyond is meeting the expectations of the community within available resources. There is an inherent tension between improving service while minimizing financial impacts to taxpayers. Growing citizen expectations, reduced state funding, a fluctuating economy, property tax limitations, increasing state requirements, and the rise in the overall cost of doing business has contributed to this concern. There are no easy or magic solutions, and careful consideration will have to be made of County operations and services to continue to provide excellent, yet affordable service. We are constantly seeking to improve our operations and services; Performance Measurement is one of the tools we use to do this. Performance measures are integrated into Multnomah County's annual budget to ensure accountability and to establish the link between resources and results.

The Multnomah County Budget Office received 468 program offers for the FY 2009 requested budget, comprising \$453 million in General Funds, \$1.3 billion in total funds, and over 4,600 FTE. 454 of those program offers (97%) included performance measures. Each program offer included an average of 2.9 measures — 4 measures was the maximum number allowed based on formatting capacity.

Departments submitted performance measures at the same general rate that they submitted program offers—for instance, 5% of program offers and 5% of measures were submitted by the District Attorney's Office; 20% of program offers and 21% of measures were submitted by the Department of County Management. Only 45 of the 1,331 measures (3%) did not include data, and half of those were in the Sheriff's Office and the Nondepartmental offices of the Chair and the Board of Commissioners where many programmatic changes are expected to happen between program offer submission and budget adoption.

Almost half of the Countywide performance measures were outputs (a measure of workload or process), reflecting the work done to educate staff about the use of operational measures at the management level. Almost half of the performance measures were outcomes (a measure of results or effectiveness), reflecting the continued emphasis by Budget Staff on the need for sound outcome measures as an essential measure of success for programs. The other 8% of measures were a combination of input measures (not a focus for programs when only four measures could be listed), quality measures (many programs submitted these as outcome measures because the definitions overlap), and efficiency measures (the

# Performance Measures

fy2009 adopted budget

most difficult type of measure for programs to create, and one that needs more training throughout the agency).

Sample data from each of the 9 departments (including Nondepartmental offices), each of the 6 priority areas, each of the 5 measure types, and each of the measure value types (#, %, \$) are listed in the table below.

Department	Priority	Measure	Type	FY 2009 Target
District Attorney	Safety	Misdemeanor cases reviewed	Input	7,916
County Human Services	Basic Needs	Percentage of individuals remaining stable upon exit from Developmental Disabilities crisis services	Outcome	80%
Community Justice	Safety	Percent of MST youth who did not recidivate one year post program exit.	Outcome	50%
County Management	Accountability	Cost per Document to Process and Maintain (in Dollars)	Efficiency	\$5
Community Services	Thriving Economy	Dollar value of capital improvements (transportation)	Output	\$19,848,273
Health	Basic Needs	Stakeholders satisfied w/program activities, based on Likert scale	Quality	95%
Library	Vibrant Communities	New titles added to the Library's collection	Output	49,000
Sheriff's Office	Safety	Hours of community water safety education	Output	185
Nondepartmental	Accountability	Volunteer Hours Leveraged	Output	16,000

## Marquee Indicators

The Budget Office also continues to work with agency partners to update high level benchmark data that reflect overall trends for the citizenry. The County has adopted the following six functional areas of government to measure at a high level:

1. **Basic Living Needs** (for example, health and mental health, housing, and services for seniors and people with disabilities)
2. **Safety** (for example, emergency management, sheriff and parole and probation services, domestic violence prevention, juvenile justice, and prosecution of crimes)
3. **Accountability** (for example, auditing of program effectiveness, elections, and the Citizen Involvement Committee)
4. **A Thriving Economy** (for example, high paying jobs, a resilient business climate, and high quality infrastructure)
5. **Education** (for example, school readiness programs, after-school programs, school-based health centers, and early childhood intervention)
6. **Vibrant Communities** (for example, safe and healthy neighborhoods, library services, and land use planning)

An example of one of our marquee indicators in each of our six functional areas is included below.

## Basic Living Needs

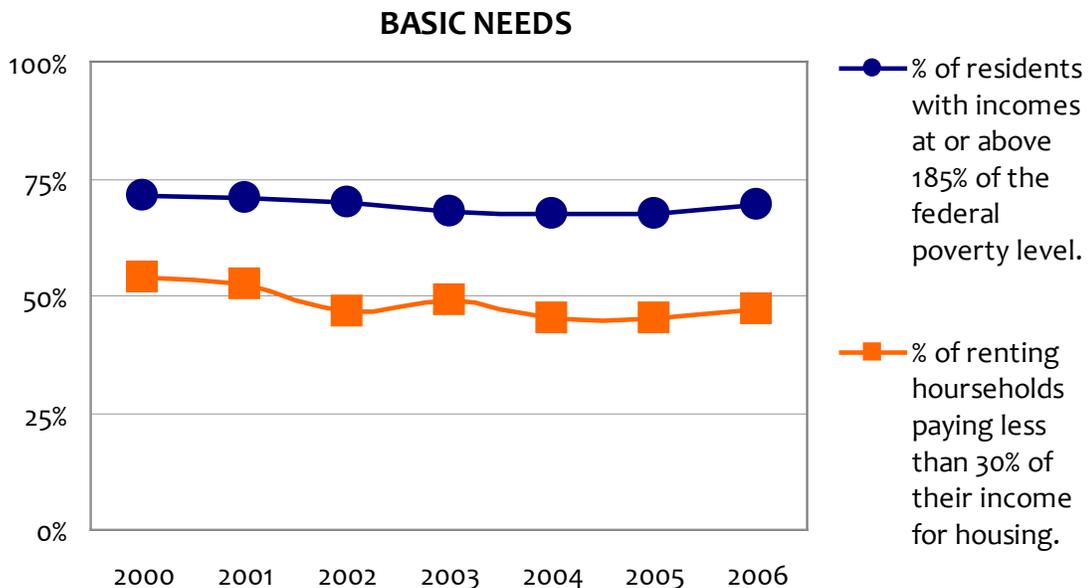
Health, housing, food, and the income to obtain and maintain these basic living needs provide the foundation for people to create a vibrant community, a thriving economy, and other societal benefits.

### Indicator 1: Percentage of people in Multnomah County with incomes above 185% of the Federal Poverty Level.

This indicator establishes an income standard consistent with federal guidelines and at least approaches what might be considered a living wage. The chart below shows the percentage of Multnomah County residents whose earnings put them at 185% of the federal poverty level or above. It is intended to show the percentage of residents with adequate means for basic living.

### Indicator 2: Percentage of renters who pay less than 30% of income for housing

This indicator is intended to measure the affordability of local housing, with particular focus on rentals. Spending less than 30% of income on housing is generally considered affordable.



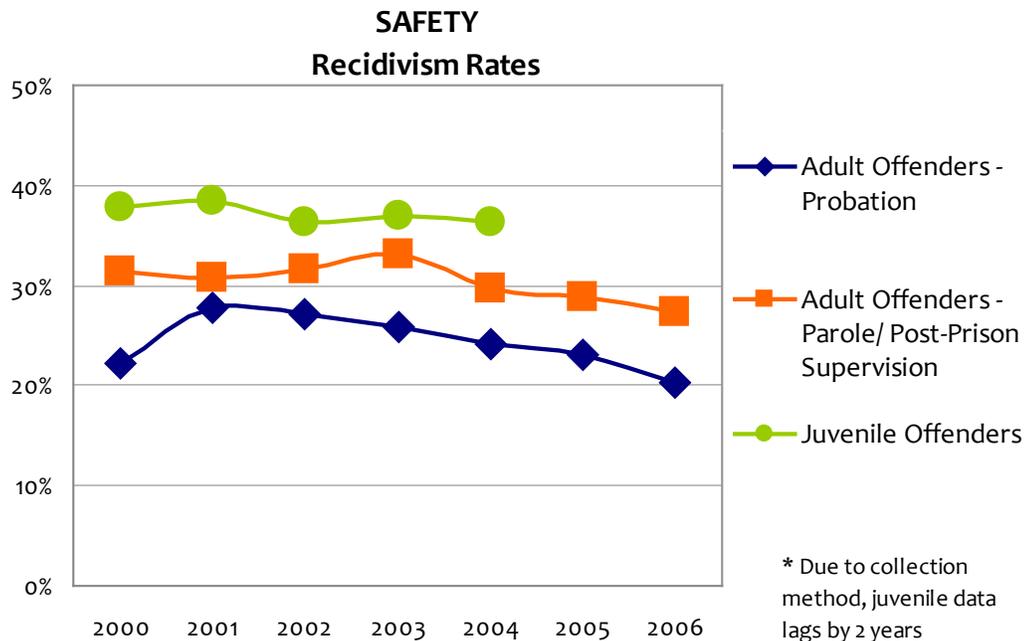
## Safety

All Multnomah County citizens deserve to feel safe and protected at home, school, work, and play. This can be achieved by preventing crime, and by dealing appropriately with crimes that have occurred so they can be prevented in the future.

**Indicator: Percentage of adults and juveniles convicted of a crime who commit additional crimes (i.e. recidivism rates).**

This measure shows the percentage of adult offenders convicted of a new felony crime in the 3 year period after supervision began. Probationers are those who have been assigned supervision as a sanction for their offenses rather than going to jail. Parole/post-prison supervision are offenders who are released conditionally from jail. The adult recidivism rate has declined since 2003 for both probation and parole/post-prison supervision, with rates higher for the latter.

The measure also shows the percent of juvenile offenders under the jurisdiction of Multnomah County who were referred on a new criminal offense within 1 year of their initial offense. The delay in data availability is due to this lag between the initial offense and the 1 year reoffense point.



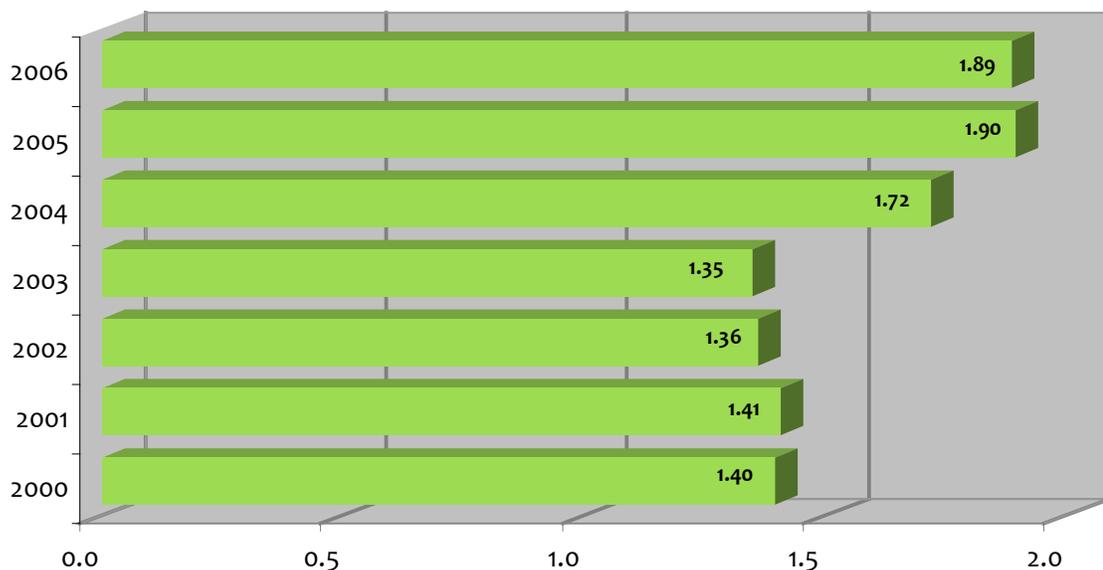
## Accountability

Being accountable to the community is one of the primary goals of good government. Citizens must understand what, why and how the government is spending their tax dollars and if results are being achieved.

### Indicator: Price of Government.

The Price of Government indicator allows a government to track the “burden” of its cost on the economy. The price is calculated as the sum of taxes, fees, and charges (local own source general fund) divided by the total economic resources of the community (aggregate personal income of the community). The price represents the number of cents out of every dollar in the community committed to pay for government services. The increase in the price of government in 2003-04 is likely explained by the County’s temporary income tax.

**ACCOUNTABILITY**  
The Price of Government



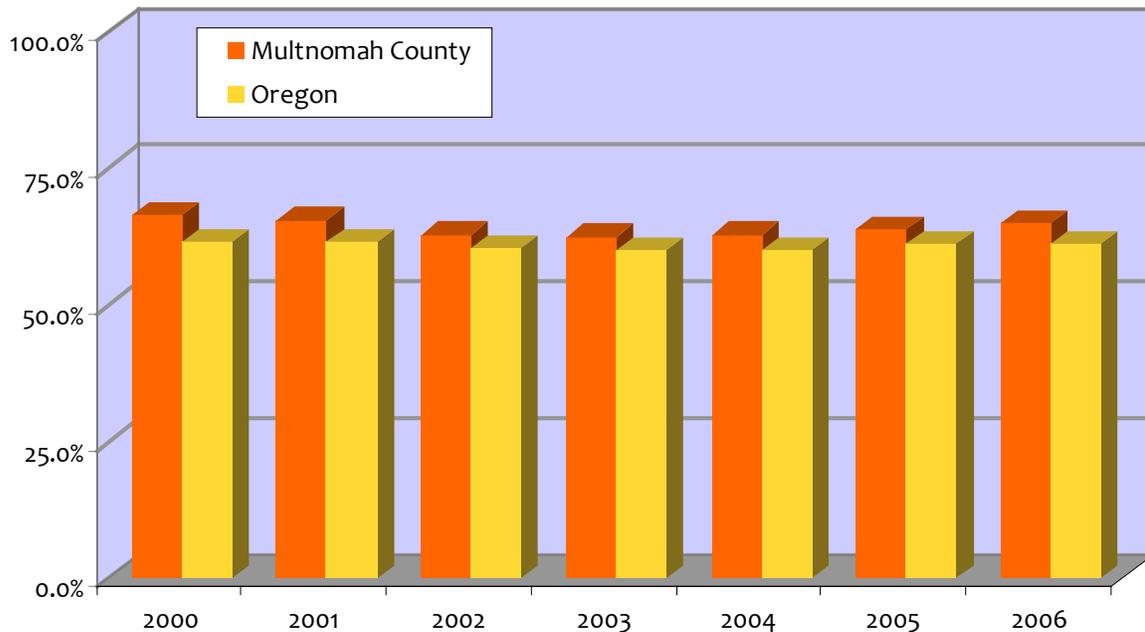
## *Thriving Economy*

Individuals who can support themselves in well-suited and well-paying jobs contribute more in tax revenue, require less in social services, and generate goods and services that benefit the entire economy. Bringing new businesses, activities, and ideas into the County creates the jobs necessary to keep the economy thriving.

**Indicator: Percent of working age Multnomah County residents who are employed.**

The rate of employment has been stable for the three most recent years of available data. Multnomah County consistently employs a slightly higher percentage of its residents than the state as a whole.

**Thriving Economy**  
**% of Working Age Residents Employed**



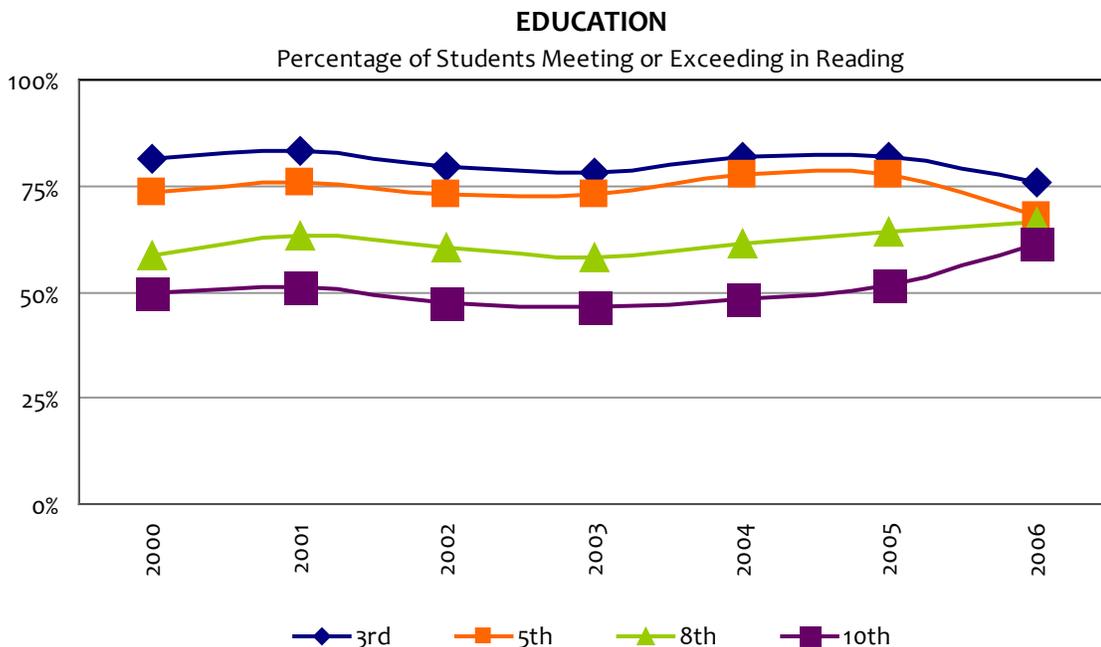
## Education

A solid education gives children the skills, training, and opportunity to create success in their lives and contribute back to their communities. An investment in education is an investment in the future.

**Indicator: Percentage of students at 3rd, 5th, 8th, and 10th grade that meet or exceed standards on state assessments (reading).**

These tests are used to determine individual students' mastery of a specific subject. These results are also used to benchmark a school's performance.

Over the past six years, the percent of Multnomah County students in grades 3, 5, 8, and 10 who meet standards in reading has vacillated. In 2006, the percent of students meeting standards in 8th and 10th grade was up, while other grades dropped.

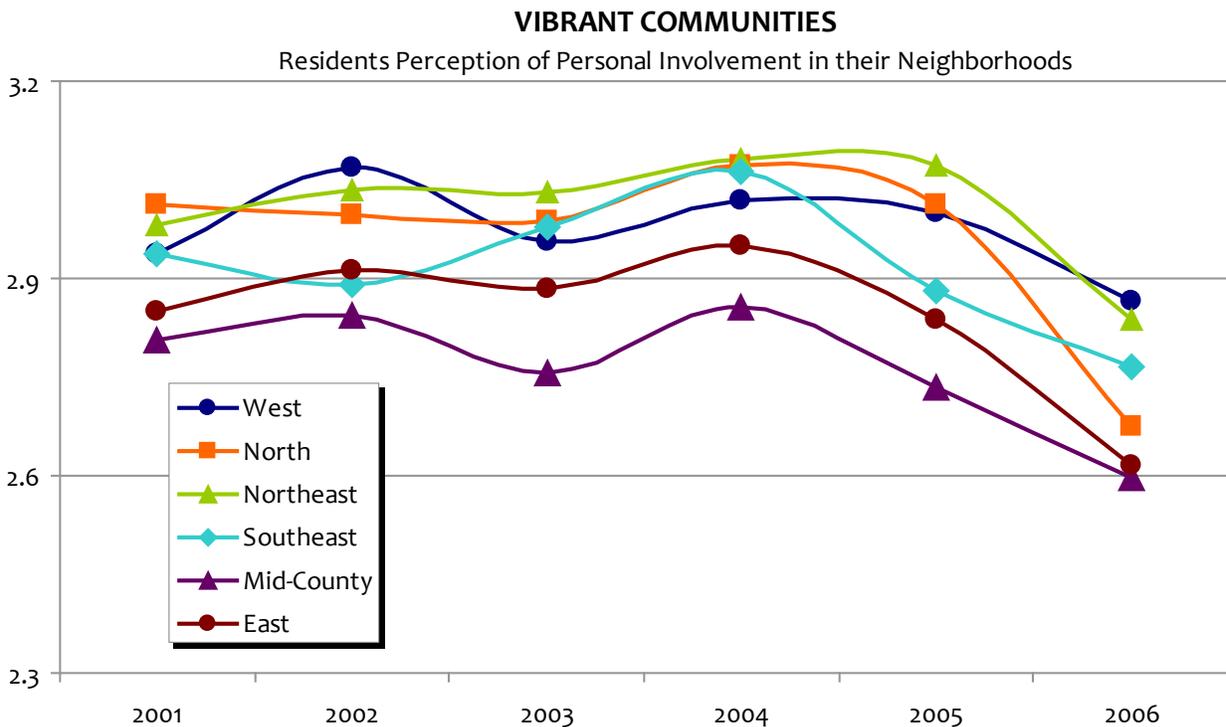


## Vibrant Communities

Vibrant Communities exist where citizens are proud to live, thrive, and connect to others in their neighborhoods.

### Indicator: Citizen Perception of Personal Involvement in Neighborhoods

There was little variation between areas of the county ranging from 2.6 to 3.1 out of a total scale of 1 to 4. Residents in Mid and East and Mid-county identify as slightly less personally involved in their neighborhoods than other areas. The score was down slightly in 2006 for each district.



## Other Performance Measurement in Multnomah County

## Performance Measurement in the Future

Performance and Policy Forums are a venue for the Chair's Office and departments to use performance data while discussing high-level policy issues. The forums meet every other week, representing a significant time commitment to using data analysis in coordinating operational decisions throughout the County. Each session reviews data in three different ways, including a *Focus In* section which allows departments to portray in detail a particular issue facing their department. The forums also review organizational health data such as standard budgetary, Human Resources, and staff data created by the Budget Office for each department every month. In addition, the two priority briefs (Public Safety Brief and Basic Needs Brief) published monthly by the Budget Office contain specific data trends and analysis for internal and external stakeholders, and now are given attention at the Performance and Policy Forums.

Useful forums for performance measurement and performance management exist outside the scope of the annual budget, but it is also the intention of Multnomah County to always include quality performance data as part of its annual budget. The main reason for doing this is to be able to make a connection between the price of government and the amount of services we can provide. The Budget Office will continue to train County staff about the importance of performance measurement and the technical details of incorporating it into their program offers in future years. We will continue to provide forums where performance data can be used to make decisions about policy and program operation. We will continue to publish Priority Briefs which use high-level performance measures and benchmarks to communicate about County operations to a variety of internal and external stakeholders, and we will be adding two new Briefs in the areas of General Government Accountability and Internal Services. We will be increasing the amount of data reporting we provide in certain areas including central human resources, affirmative action/equal opportunity employment, and Countywide customer satisfaction.

In an era of perpetually rising costs and stable or declining revenues, governments must be accountable to citizens for how each dollar is spent. Aligning funding dollars from the annual budget to outputs and outcomes of services provided from the program offers is the most effective way to create a unified system of accountability. Multnomah County has long been a leader in the area of performance measurement, and we continue to look forward to active measurement activities in FY 2009 and beyond.