



COMMISSION ON CRIMINAL AND JUVENILE JUSTICE

Performance Measures Audit
For the Year Ended June 30, 2007

Report No. 08-01

*Keeping Utah
Financially Strong*

AUSTON G. JOHNSON, CPA
UTAH STATE AUDITOR



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REPORT NO. 08-01

March 24, 2008

The Honorable Jon M. Huntsman, Jr.
Governor, State of Utah
and
The Utah State Legislature

This report contains the findings and recommendations from our completed performance measures audit of the Utah Commission on Criminal and Juvenile Justice (CCJJ). An Executive Summary is located at the front of the report; and the objectives, scope, and methodology of the audit are included in Appendix A.

The report includes recommendations for CCJJ and the Governor's Office of Planning and Budget (GOPB). We would be happy to discuss these recommendations or any other items in the report with appropriate legislative committees, individual legislators, or other State officials to facilitate the implementation of the recommendations.

We commend GOPB and CCJJ for their impressive efforts thus far to implement, utilize, and report performance measures, all without a statutory requirement. We encourage these entities to continue their efforts to improve performance measures management.

Sincerely,

Auston G. Johnson, CPA
Utah State Auditor

cc: Robert S. Yeates, Executive Director, Utah Commission on Criminal and Juvenile Justice
Stan Parrish, Chair, Utah Commission on Criminal and Juvenile Justice
John E. Nixon, CPA, Executive Director, Governor's Office of Planning and Budget
Jonathan C. Ball, Director, Office of the Legislative Fiscal Analyst
Gary Ricks, Fiscal Analyst, Office of the Legislative Fiscal Analyst

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Executive Summary

Performance measure management provides tools and information to help executive and legislative policy and decision-makers, state employees, and the general public evaluate the results of government services and appropriations. Utah's overall performance measure management is still in the early stages of development and implementation. To date, impressive progress has been made by the Governor's Office of Planning and Budget (GOPB) and various agencies to implement, utilize, and report performance measures; all without any statutory requirement. Currently, performance measures are required to be reported for the following areas: 1) Balanced Scorecard Program, 2) Performance.utah.gov Website, and 3) Budget Preparation. Also, in October 2007, GOPB published the manual *Guidance on Performance Measure Management* ("The Guide"), which contains effective principles to achieve consistent and accurate performance measure management.

For this audit, we obtained the Utah Commission on Criminal and Juvenile Justice's (CCJJ) Performance Measures Plan, which contained their 10 key performance measures, and audited the Plan against a standard of best practices used by other states which are leaders in the area of effective performance measure management. CCJJ has worked to implement performance measures for each of the performance measure reporting areas noted above. However, we noted that CCJJ's Performance Measures Plan is inadequate because CCJJ has not:

- Reported key performance measures consistently across each reporting area
- Established key performance measures which relate directly to each of its objectives based on statute
- Established key performance measures that are results-oriented
- Documented all critical elements for each key performance measure
- Established reasonable targets for each key performance measure
- Implemented adequate internal controls to ensure the on-going accuracy and completeness of performance measure data

The inadequacies in CCJJ's Performance Measures Plan are mainly due to confusion stemming from the lack of comprehensive policies and procedures governing performance measure management in Utah. Prior to *The Guide* being published, all performance measure management guidance from GOPB was given via verbal presentations; therefore, it was more likely to be miscommunicated, misunderstood, and inconsistently applied by the agencies implementing the guidance. Also, *The Guide*, in its current form, does not include comprehensive policies and procedures for performance measure management specific to each of the three performance measure reporting areas noted in the first paragraph above. Each reporting area has different reporting requirements, methodologies, and language. GOPB is already aware of this issue and is working with the Office of the Legislative Fiscal Analyst (LFA) and State agencies to formally document comprehensive requirements.

The result of these inadequacies is that CCJJ's overall agency performance cannot be effectively and efficiently measured or accurately reported, and thus it cannot be used effectively by executive or legislative decision-makers or the public.

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Recommendations:

- We recommend that GOPB continue to work with LFA and State agencies to formally document comprehensive policies and procedures for performance measure management. As part of this process, we recommend that *The Guide* be expanded to explain how all of the performance measure reporting areas correlate.
- We recommend that CCJJ report their key performance measures consistently across all performance measure reporting areas.
- We recommend that CCJJ identify or develop key performance measures for each of the seven objectives defined in their Performance Measures Plan. Key performance measures should be broad enough to encompass all the elements in each of the objectives, so that users of the measures are able to assess the degree to which CCJJ's objectives have been accomplished.
- We recommend that CCJJ establish results-oriented measures by primarily using outcome and efficiency measures for their key performance measures.
- We recommend that CCJJ update the policies and procedures section of their Performance Measures Plan to include all of the critical elements necessary to ensure the completeness and accuracy of reported performance measures data.
- We recommend that CCJJ establish and document reasonable targets for each key performance measure. If CCJJ does not have control (direct or indirect) over the data that they are reporting, or if it is not possible to establish a target for a particular key performance measure, CCJJ should consider using a different performance measure that would more appropriately reflect their mission, goals, and objectives.
- We recommend that CCJJ establish or strengthen existing internal controls to ensure that performance measure data generated internally and data obtained from external parties is accurate, complete, and consistent with the critical elements (e.g., measure definition, data collection and data calculation methods, etc.) for each key performance measure in CCJJ's Performance Measures Plan.

Executive Summary
Table 1. Summary of Reported Data for CCJJ's 10 Key Performance Measures and Audit Results

Key Performance Measure Number	Objectives Based on Statute							Measure Type			Actual Amounts Reported to GOPB	Actual Amounts per Audit	Audit Results					
	1	2	3	4	5	6	7	Outcome	Efficiency	Output			Target	Accurate	Accurate with Qualification	Inaccurate	Undeterminable	
1	X							Number of arrests reported by multi-jurisdictional drug and crime task force projects			X	2,885	2,872	2,803		X		
2	X							Number of grant programs funded			X		130	130		X		
3		X						Percent of Utah youth in grades 6, 8, 10, and 12 who report using alcohol in the last 30 days	X				6th - 1.80% 8th - 8.70% 10th - 15.90% 12th - 19.00%	6th - 1.80% 8th - 8.10% 10th - 15.30% 12th - 18.60%		X		
4			X					Percent of DUI arrests leading to a conviction	X				Justice - 62% District - 73%	55.73%*			X	
5				X				Number of claims for reparations funds approved by CVR during a fiscal year			X		5,316	5,470		X		
6			X					Amount of money awarded on victim reparations claims by CVR during a fiscal year			X	\$6,200,000	\$7,387,428	\$6,751,415			X	
7				X				Number of victim interactions reported by VINE (Utah electronic victim notification system)			X		578,586	Cannot Determine				X
8		X						Number of individuals trained through child sexual exploitation prevention funded grant programs			X		Approximately 86,000	77,230			X	
9		X						Number of state asset forfeiture dollars collected each fiscal year			X	\$177,153	\$417,500	\$417,483		X		
10		X						Amount collected from offenders through extradition restitution			X		\$37,080	\$37,080		X		
Totals	0	5	2	3	0	0	0	Totals	2	0	8			Totals	0	6	3	1

* The actual number cannot be split between Justice and District courts when using the correct performance measure definition. The actual amount was calculated using the average reported for the two court types.

Objectives Based on Statute

- 1) Provide coordination, analysis and recommendations on policy related to the Utah justice system, substance abuse system, and victims of crime
- 2) Coordinate Utah's efforts and enhance its ability to address justice, victim, and substance abuse issues and needs
- 3) Provide and coordinate public information on justice issues, victim issues, and substance abuse issues
- 4) Support victims of crime in the recovery process
- 5) Provide analysis and make required changes that reflect the current laws and policy to the Adult Sentencing and Release Guidelines
- 6) Review, analyze, and make a recommendation on the feasibility of developing a sentencing guideline for using jail as a condition of probation
- 7) Provide analysis and recommendations on the Juvenile Sentencing Guidelines to ensure accurate and efficient application of guideline recommendations occurs in the juvenile justice process

Audit Result Definitions

- A measure is **Accurate** if reported performance is within +/- 5% of actual performance and controls appear adequate to ensure accuracy for collecting and reporting performance measure data
- A measure is **Accurate with Qualification** if reported performance is within +/- 5% of actual performance but controls over data collection and reporting are not adequate to ensure continued accuracy
- A measure is **Inaccurate** if reported performance is not within +/- 5% of actual performance
- A measure is **Undeterminable** if reported performance cannot be determined because of insufficient documentation and inadequate controls or when there is a deviation from the measure definition and the auditor cannot determine the correct result

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Background of Performance Measures in Utah

Performance management provides tools and information to help executive and legislative policy and decision-makers, state employees, and the general public evaluate the results of government services and appropriations. Performance measurement is an integral part of agency and statewide planning and budgeting structures, evaluation and decision-making processes, and accountability systems. Performance measures should be part of each agency's strategic and operational plan linking legal objectives to performance, agency actions, and funding. Performance measures should also emphasize serving the agency's customers. The Governor and Legislature expect agencies to focus on performance, and agencies will be held accountable for performance.

In 1990, Utah first implemented a performance management system with the legislative initiative Utah Tomorrow. This initiative was charged with setting strategic goals and associated performance metrics for the State of Utah. Utah Tomorrow was ultimately discontinued by the 2004 Utah State Legislature.

In 2006, Governor Huntsman announced a strategic public-private partnership between the Governor's Office of Planning and Budget (GOPB) and the Utah Policy Partnership to improve efficiency in government. This partnership has produced the Utah Performance Elevated Initiative, which includes strategic planning, performance management, collaboration and training, and enterprise innovation.

The performance management portion of Utah Performance Elevated is to serve as a management tool for individual state agencies and a monitoring tool for decision-makers and the general public. Performance management in Utah incorporates the following three reporting areas:

- **Balanced Scorecard Program.** A management system that enables agencies to clarify their vision and strategy and continuously improve strategic performance and results. Agencies report performance data on key output and efficiency measures to GOPB on a monthly basis.
- **Performance.utah.gov Website.** A portal for agencies to communicate relevant data on their operations to the public. In addition, each agency articulates why the measure is important and what the agency does to influence the measure.
- **Budget Preparation.** A requirement for agencies to provide to GOPB and the Legislative Fiscal Analyst on an annual basis the three most important performance measures for each program used to evaluate the effectiveness and efficiency of each program.

In fiscal year 2007, the Legislature appropriated funds to the Utah State Auditor's Office to hire two auditors to conduct performance and performance measure audits. Performance measure audits include a review of 1) the performance measurement process/system within state agencies, 2) the adequacy of internal controls related to performance measures, and 3) the completeness, appropriateness and accuracy of the performance measures.

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In October 2007, GOPB published the manual entitled *Guidance on Performance Measure Management* (“*The Guide*”), effective for performance measures reported after December 31, 2007. *The Guide* includes effective and practical concepts and principles for overall performance measure management.

This report on performance measures at the Utah Commission on Criminal and Juvenile Justice (CCJJ) is the first performance measure audit performed by the Utah State Auditor’s Office. For this audit, we obtained CCJJ’s Performance Measurement Plan, which contained their 10 key performance measures, and audited the Plan against a standard of best practices used by other states which are leaders in the area of effective performance measure management.

Because this audit was performed prior to *The Guide* being effective, we did not necessarily expect CCJJ’s Performance Measures Plan to be complete and, in fact, we found that CCJJ’s Performance Measures Plan has several inadequacies as noted in the Executive Summary and in the Audit Results section of this report.

The inadequacies are due mostly to confusion stemming from the lack of comprehensive policies and procedures governing performance measure management in Utah. Prior to *The Guide* being published, all performance measure management guidance from GOPB was given via verbal presentations; therefore, it was more likely to be miscommunicated, misunderstood, and inconsistently applied by the agencies implementing the guidance. Also, *The Guide*, in its current form, does not include comprehensive policies and procedures for performance measure management specific to each of the three performance measure reporting areas noted above. Each reporting area has different reporting requirements, methodologies, and language. GOPB is already aware of this issue and is working to formally document comprehensive policies and procedures for performance measures.

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Principles of an Effective Performance Measures Plan

An effective performance measures plan will provide information that is meaningful and useful to decision makers. At a minimum, an effective performance measures plan would contain the following elements:

- **Objectives.** The plan should clearly state the agency's mission and its major goals and objectives that have potential decision-making or accountability implications for the agency. These goals and objectives should originate from the agency's purpose as defined in statute.
- **Strategies.** The plan should include strategies for accomplishing each goal and objective.
- **Key performance measures.** The plan should identify key performance measures that provide a basis for assessing the results for major or critical programs and services, and major goals and objectives of the agency. In addition, key performance measures should be linked to the agency's mission, goals, and objectives. Key performance measures needed to make public policy decisions should be reported even though the agency may feel it has no direct control over the measures.
- **Relevant measures.** Key measures should provide a basis for understanding the degree to which the agency's goals and objectives have been accomplished.
- **Results-oriented measures.** Key performance measures should focus primarily on outcomes and effectiveness to facilitate an assessment of resources used and the efficiency, cost-effectiveness, and economy of programs and services.
- **Policies and procedures.** The plan should contain policies and procedures that document the name/definition for each key measure; the purpose/importance of each measure; the data source(s), data collection and data calculation methods, performance target, and data limitations for each key measure; supervisory reviews of input data, calculations, output data, and reported measures data and performance targets; and input, process, output, data access, and data backup controls to ensure completeness and accuracy of data collected, calculated, and reported.

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Audit Results

The Utah Commission on Criminal and Juvenile Justice (CCJJ) provided us with their Performance Measures Plan for fiscal year 2007, which contained their 10 key performance measures. We reviewed CCJJ’s 10 key performance measures and compared them with principles of effective performance measure management to assess the adequacy of CCJJ’s Performance Measures Plan. We noted the following weaknesses:

I. INADEQUATE PERFORMANCE MEASURES PLAN

CCJJ’s Performance Measures Plan is inadequate in the following areas:

A. Inconsistent Key Performance Measures

We compared CCJJ’s 10 key performance measures noted in their 2007 Performance Measures Plan to the key performance measures they reported for the three required performance reporting areas (i.e., the Balanced Scorecard, the Performance.utah.gov Website, and Budget Preparation). The results of our comparison are shown in Table 2 below.

Table 2. Comparison of CCJJ's 10 Key Performance Measures

Key Performance Measure		Key Performance Measure Included On:			
		Balanced Scorecard	performance. utah.gov	Budget Form 360	Budget Form 361
1	Number of arrests reported by multi-jurisdictional drug and crime task force projects		X	X	X
2	Number of grant programs funded				X
3	Percent of Utah youth in grades 6, 8, 10, and 12 who report using alcohol in the last 30 days			X	X
4	Percent of DUI arrests leading to a conviction				X
5	Number of claims for reparations funds approved by CVR during a fiscal year			X	X
6	Amount of money awarded on victim reparations claims by CVR during a fiscal year		X	X	X
7	Number of victim interactions reported by VINE (Utah electronic victim notification system)	X	X		X
8	Number of individuals trained through child sexual exploitation prevention funded grant programs			X	X
9	Number of state asset forfeiture dollars collected each fiscal year			X	X
10	Amount collected from offenders through extradition restitution			X	X
Totals		1	3	7	10

Our comparison found that CCJJ is not reporting their key performance measures consistently across all performance measure reporting areas. CCJJ explained that their 10 key performance measures were taken from those used for Budget Preparation, which are

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long-term measures of their overall effectiveness that are reported annually to GOPB and the Legislature. In comparison, CCJJ views measures on the Balanced Scorecard as short-term measures of their current effectiveness that are reported monthly to GOPB. Because CCJJ perceives the functions of the reporting areas to be different, the performance measures reported for each area were different. CCJJ's inconsistency in reporting key performance measures has led to inefficiencies in tracking the performance measures and is indicative of confusion regarding the State's approach to performance measure management.

Confusion about the State's approach to performance measure management is due to the lack of comprehensive policies and procedures governing performance measure management. Currently, each performance measure reporting area (Balanced Scorecard Program, Performance.utah.gov Website, and Budget Preparation) has different reporting requirements, methodologies, and terminologies. These differences came about because each of the performance measure reporting areas was developed independently from the other areas, with all but the budget preparation requirements being developed since 2006. Differences also exist because, prior to October 2007 when GOPB published *The Guide*, all performance measures management guidance was given via verbal presentations; therefore, it was more likely to be miscommunicated, misunderstood, and inconsistently applied by the agencies implementing the guidance.

The Guide was developed jointly by GOPB and the Utah State Auditor's Office in an effort to give consistent and coordinated attention to the reporting of performance measures and includes effective and practical concepts and principles for overall performance measure management. However, *The Guide* does not adequately provide comprehensive policies and procedures for all areas of performance management. Therefore, agencies may determine each performance measure reporting area is independent of the others, as CCJJ has, rather than having each performance measure reporting area correlate with the other areas creating a synergy that is part of a bigger performance management vision.

Inconsistencies and inefficiencies with performance measures at the agency level will result in an inefficient review for GOPB and the Office of the Legislative Fiscal Analyst (LFA) and make it more difficult for decision-makers and the public to have an accurate and reliable view of government performance. GOPB is already aware of the different requirements and is working with LFA and state agencies to develop a common and comprehensive set of policies, procedures, and metrics that can be used in all performance measure reporting areas.

Recommendations:

We recommend that GOPB continue to work with LFA and State agencies to formally document comprehensive policies and procedures for performance measure management. As part of this process, we recommend that *The Guide* be expanded to explain how all of the performance measure reporting areas correlate.

We recommend that CCJJ report their key performance measures consistently across all performance measure reporting areas.

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B. Key Performance Measures Not Relevant to Specific Objectives

We determined that CCJJ's Performance Measures Plan includes a mission statement and goals and objectives for CCJJ that originated from CCJJ's purpose as defined in statute. CCJJ has also developed strategies for accomplishing the goals and objectives. In addition, we determined that each of CCJJ's 10 key performance measures is linked to a specific objective. However, the 10 key performance measures, individually and in aggregate, are at a level that is too detailed to encompass all of the elements of the objectives to which they are linked. In addition, as shown in Table 3 below, CCJJ has not identified key performance measures for four of the seven objectives defined in their Performance Measures Plan. Therefore, the 10 key performance measures selected by CCJJ are not particularly relevant in assessing the degree to which CCJJ's objectives have been accomplished.

Objectives as Defined in CCJJ's Performance Measures Plan	Key Performance Measure(s) Relevant to Objective
Provide coordination, analysis and recommendations on policy related to the Utah justice system, substance abuse system, and victims of crime	None
Coordinate Utah's efforts and enhance its ability to address justice, victim, and substance abuse issues and needs	Number of arrests reported by multi-jurisdictional drug and crime task force projects (Measure #1)
	Number of grant programs funded (Measure #2)
	Number of individuals trained through child sexual exploitation prevention funded grant programs (Measure #8)
	Number of state asset forfeiture dollars collected each fiscal year (Measure #9)
	Amount collected from offenders through extradition restitution (Measure #10)
Provide and coordinate public information on justice issues, victim issues, and substance abuse issues	Percent of Utah youth in grades 6, 8, 10, and 12 who report using alcohol in the last 30 days (Measure #3)
	Percent of DUI arrests leading to conviction (Measure #4)
Support victims of crime in the recovery process	Number of claims for reparations funds approved by CVR during a fiscal year (Measure #5)
	Amount of money awarded on victim reparations claims by CVR during a fiscal year (Measure #6)
	Number of victim interactions reported by VINE (Utah electronic victim notification system) (Measure #7)
Provide analysis and make required changes that reflect the current laws and policy to the Adult Sentencing and Release Guidelines	None
Review, analyze, and make a recommendation on the feasibility of developing a sentencing guideline for using jail as a condition of probation	None
Provide analysis and recommendations on the Juvenile Sentencing Guidelines to ensure accurate and efficient application of guideline recommendations occurs in the juvenile justice process	None

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Recommendation:

We recommend that CCJJ identify or develop key performance measures for each of the seven objectives defined in their Performance Measures Plan. Key performance measures should be broad enough to encompass all the elements in each of the objectives, so that users of the measures are able to assess the degree to which CCJJ's objectives have been accomplished.

C. Key Performance Measures Not Results-Oriented

A majority of CCJJ's key performance measures are "output" measures rather than outcome or efficiency measures (see Table 4). Output measures are generally the least effective type of measure because they only measure the quantity of a service or product produced by an agency. In contrast, outcome measures show the actual impact or benefit of an agency's actions and the agency's progress toward achieving objectives. Efficiency measures show the relationship between efforts (or inputs) to outputs or outcomes (e.g., the resources used or cost per unit of output or outcome).

Table 4. Types of Performance Measures Used by CCJJ

Key Performance Measure		Measure Type
1	Number of arrests reported by multi-jurisdictional drug and crime task force projects	Output
2	Number of grant programs funded	Output
3	Percent of Utah youth in grades 6, 8, 10, and 12 who report using alcohol in the last 30 days	Outcome
4	Percent of DUI arrests leading to a conviction	Outcome
5	Number of claims for reparations funds approved by CVR during a fiscal year	Output
6	Amount of money awarded on victim reparations claims by CVR during a fiscal year	Output
7	Number of victim interactions reported by VINE (Utah electronic victim notification system)	Output
8	Number of individuals trained through child sexual exploitation prevention funded grant programs	Output
9	Number of state asset forfeiture dollars collected each fiscal year	Output
10	Amount collected from offenders through extradition restitution	Output

Because key performance measures should facilitate an assessment of resources used and the efficiency and cost-effectiveness of CCJJ's efforts to meet their goals and objectives, outcome and efficiency measures would better show CCJJ's progress toward achieving their objectives and would show the impact or benefit of CCJJ's actions. The use of output measures may be appropriate in some circumstances, but key performance measures would ideally be outcome and efficiency measures.

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Recommendation:

We recommend that CCJJ establish results-oriented measures by primarily using outcome and efficiency measures for their key performance measures.

D. Inadequate Documentation of Critical Elements for Key Performance Measures

CCJJ’s Performance Measures Plan should contain policies and procedures that document 9 critical elements for each key performance measure. CCJJ did not document 3 of the 9 critical elements and only partially documented 2 of the remaining 6 critical elements in their performance measure policies and procedures. Table 5 below shows the critical elements and if the element was documented.

Table 5. Documentation of Critical Elements for Key Performance Measures in CCJJ's Performance Measures Plan

Critical Element	Documented in the Plan?
Measure Name	Yes
Measure Definition	Yes
Purpose/Importance of the Measure	Yes
Source Documents/Collection of Data	Partially
Calculation Method(s)	No
Data Limitations	Yes
Performance Target	Partially
Supervisory Reviews of input data, calculations, output data, and reported measures data and targets	No
Input, processing, output, data access, and data backup controls to ensure completeness and accuracy of data collected, calculated, and reported	No

Not adequately documenting the above critical elements resulted in:

- Incorrect application of performance measure definitions (see Section II.).
- Inconsistent performance measure calculations (see Section II.).
- Inadequate controls over data accuracy and completeness for data generated by CCJJ and for data obtained from external entities (see Section II.).
- Unreasonable targets that do not adequately show performance (see Section I.E.).

Including the critical elements shown in Table 5 in CCJJ’s performance measure policies and procedures will help CCJJ ensure that 1) performance measures are specifically defined and consistently calculated, 2) controls over the accuracy and completeness of the data are adequate, and 3) targets will be reasonable and adequate to show agency performance.

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Recommendation:

We recommend that CCJJ update the policies and procedures section of their Performance Measures Plan to include all of the critical elements necessary to ensure the completeness and accuracy of reported performance measures data.

E. Lack of Reasonable and Established Targets

A meaningful, challenging, and achievable target should be established for each individual performance measure. However, CCJJ established and documented a fiscal year 2007 target for only 3 of their 10 key performance measures as shown in Table 6 below.

Table 6. Targets Established for Fiscal Year 2007 for Key Performance Measures

Key Performance Measure		Target
1	Number of arrests reported by multi-jurisdictional drug or crime task force funded by CCJJ	2,885 arrests per year
2	Number of sub-grant programs funded	None
3	Percent of Utah youth in grades 6, 8, 10, and 12 who report using alcohol in the last 30 days	None
4	Percent of DUI arrests leading to conviction	None
5	Number of claims for reparations funds approved by CVR during a fiscal year	None
6	Amount of money awarded on victim reparations claims by CVR during a fiscal year	\$6,200,000 per fiscal year
7	Number of victim interactions reported by VINE (Utah electronic victim notification system)	None
8	Number of individuals trained through child sexual exploitation prevention funded grant programs	None
9	Number of State asset forfeiture dollars collected each fiscal year	\$177,153 per fiscal year
10	Amount collected from offenders through extradition restitution	None

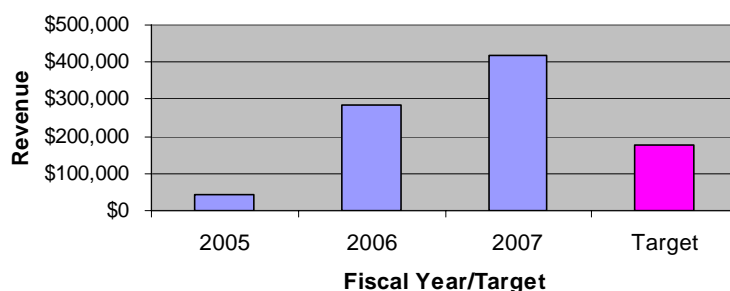
In addition, for the three key performance measures that did have a documented target, the target was not considered reasonable as described below:

- Performance Measure 1 – The fiscal year 2007 target is based on the average of the most recently available ten years of arrest data. However, CCJJ’s Performance Measures Plan indicates that “it is difficult to know if an increase in arrests is a positive indicator of task force performance or a negative indicator of performance.” Because the preferred trend or direction of progress is not known, the established target is not meaningful and actual performance cannot be adequately measured by comparing it to the established target.

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- Performance Measure 6 – The fiscal year 2007 target was determined based on all reparations claims paid in the prior year, including payments made for sexual assault forensic examinations; however, the definition for this measure specifically states that payments for sexual assault forensic examinations are to be excluded. Therefore, the methodology CCJJ used to establish a target based on the level of all reparations claims paid in the prior year is not reasonable.
- Performance Measure 9 – The fiscal year 2007 target was based on the average of the first three fiscal years of state forfeiture deposits into the Criminal Forfeiture Restricted Account (CFRA). However, fiscal year 2007 was the first complete grant funding cycle and the first complete year of performance measure data for this measure. As shown in Table 7 below, using information for fiscal years 2005 and 2006 to establish a target is not reasonable.

Table 7. Data Used in Calculating Target for Forfeiture Revenue



CCJJ faces several challenges in trying to establish reasonable targets for their key performance measures. These challenges include:

- **Data Obtained from External Entities.** CCJJ obtains data for several performance measures from external entities and, therefore, has limited or no control over the accuracy and completeness of the data.
- **Trend vs. Single Target.** CCJJ prefers to show an improved trend over time rather than showing improvement by setting a single annual target.
- **Realistic vs. Unrealistic Targets.** CCJJ is concerned that setting a realistic achievable target that is less than their ultimate goal (the theoretical target) would misconstrue their actual objectives. For example, the ultimate goal or target for Measure 2, “Percent of DUI arrests leading to a conviction,” would be 100%; however, that target is not realistic and would never be attained given the nature of how DUI convictions are currently processed. However, to set a target of less than 100% could make it appear that CCJJ would be accepting of a lower rate, a position CCJJ does not want to portray.

While the concerns above are valid, the result of not establishing a reasonable target is that agency performance cannot be adequately measured or monitored.

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Recommendation:

We recommend that CCJJ establish and document reasonable targets for each key performance measure. If CCJJ does not have control (direct or indirect) over the data that they are reporting, or if it is not possible to establish a target for a particular key performance measure, CCJJ should consider using a different performance measure that would more appropriately reflect their mission, goals, and objectives.

II. RELIABILITY OF REPORTED DATA FOR KEY PERFORMANCE MEASURES

We audited CCJJ's 10 key performance measures to determine if the data reported to GOPB and the Legislature was accurate and complete and to determine if CCJJ's internal controls were adequate to ensure on-going reliability. Table 8 below gives a summary of our results.

Table 8. Audit Results for CCJJ's Key Performance Measures

Key Performance Measure		Accurate	Accurate with Qualification	Inaccurate	Undeterminable
1	Number of arrests reported by multi-jurisdictional drug and crime task force projects		X		
2	Number of grant programs funded		X		
3	Percent of Utah youth in grades 6, 8, 10, and 12 who report using alcohol in the last 30 days		X		
4	Percent of DUI arrests leading to a conviction			X	
5	Number of claims for reparations funds approved by CVR during a fiscal year		X		
6	Amount of money awarded on victim reparations claims by CVR during a fiscal year			X	
7	Number of victim interactions reported by VINE (Utah electronic victim notification system)				X
8	Number of individuals trained through child sexual exploitation prevention funded grant programs			X	
9	Number of state asset forfeiture dollars collected each fiscal year		X		
10	Amount collected from offenders through extradition restitution		X		
Totals		0	6	3	1

A measure is **Accurate** if reported performance is within +/- 5% of actual performance and controls appear adequate to ensure accuracy for collecting and reporting performance measure data

A measure is **Accurate with Qualification** if reported performance is within +/- 5% of actual performance but controls over data collection and reporting are not adequate to ensure continued accuracy

A measure is **Inaccurate** if reported performance is not within +/- 5% of actual performance

A measure is **Undeterminable** if reported performance cannot be determined because of insufficient documentation and inadequate controls or when there is a deviation from the measure definition and the auditor cannot determine the correct result

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None of CCJJ’s measures were found to be Accurate because internal controls at CCJJ to ensure ongoing data accuracy and completeness, are inadequate as discussed below.

A. Inadequate Internal Controls over Performance Measure Data

CCJJ’s internal control over data collection and reporting of performance measure data generated by both CCJJ and by external entities is generally a high-level review by one or more individuals at CCJJ, with an additional cursory review for reasonableness by the individual obtaining the data if the data was generated by an external entity. These reviews do not include a review of query criteria (if applicable), application of analytical procedures, or a review to ensure the measure definition and calculation method have been followed. Therefore, these reviews are inadequate to ensure the continued accuracy and completeness of the reported data.

1. **Key Performance Measures 1, 2, 3, 9, and 10.** The data reported for these key performance measures was accurate and complete; however, without sufficient internal controls, ongoing accuracy and completeness cannot be reasonably expected. Therefore, the reported data for these measures is deemed Accurate with Qualification.

2. **Key Performance Measure 5.** The data for this measure was calculated incorrectly. In CCJJ’s Performance Measures Plan, this measure is defined as “The number of claims for reparations approved by the Office of Crime Victim Reparations (CVR) during a fiscal year.” The number of claims includes compensation claims and sexual assault forensic examination claims. The total number of claims approved in a fiscal year should include claims received in the prior year but approved in the current fiscal year, as well as claims received and approved during the current fiscal year. However, for this performance measure, CCJJ reported the actual number of claims received by CVR during fiscal year 2007. Table 9 below shows the difference between the number of claims approved and the number of claims received for fiscal year 2007.

Table 9. Number of CVR Claims in Fiscal Year 2007

Number of Claims Received (Reported)	5,316
Number of Claims Approved (Actual)	<u>5,470</u>
Number Difference	(154)
Percent Difference	-2.815%

Although this measure was calculated incorrectly, the data reported was within +/-5% of actual performance. However, CCJJ does not have sufficient internal controls in place to ensure that performance measure definitions are being followed. Therefore,

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the number of claims received during fiscal year 2007 (as reported) is deemed to be Accurate with Qualification.

3. **Key Performance Measure 4.** This measure is calculated by obtaining data from the Administrative Office of the Courts (AOC) and the Department of Public Safety (DPS).
 - a. Definition Not Followed – The documented definition for this measure states that “The numerator is the number of convictions reported by the Utah Courts. The denominator is the number of arrests for DUI offenses reported by the Department of Public Safety’s Driver’s License Division and Highway Safety Office for the fiscal year.” However, the denominator used by CCJJ to calculate the measure was the total number of DUI charges filed per the Administrative Office of the Courts for the fiscal year. Table 10 below shows that there is a significant difference in the denominator amount CCJJ used to calculate this measure and the denominator amount CCJJ should have used:

Table 10. Difference in Denominator Amounts

<u>DUI charges filed in:</u>	
Justice Courts	9,849
District Courts	2,025
Total DUI charges filed (obtained from AOC)	11,874
Total arrests* for DUI offenses (obtained from DPS)	14,658
Number Difference	2,784
Percent Difference	23.45%
* Arrest data obtained from DPS cannot be broken out between Justice and District Courts	

- b. Incomplete Data Used for Justice Courts – The number of DUI convictions for Justice Courts which CCJJ obtained from the AOC and subsequently used to calculate the numerator for this measure contained only 11 of the 12 months of fiscal year 2007 justice court data (August 2006 – June 2007). Table 11 below shows the difference between the data obtained (11 months) and the data that should have been used in the numerator amounts to calculate this measure (entire fiscal year or 12 months).

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Table 11. Difference in Numerator Amounts for Justice Courts

	<u>Aug. 2006 - June 2007 (11 months)</u>	<u>Entire Fiscal Year (12 months)</u>	<u>Number Difference</u>	<u>Percent Difference</u>
Number of DUI convictions for Justice Courts	6,148	6,648	500	8.13%

When the errors discussed in a. and b. above are combined, the actual amount that should have been reported for this measure becomes 55.73%, which is significantly lower than both of the individual amounts reported for justice courts and district courts of 62% and 73% respectively. It is also significantly lower than the average percent reported for justice and district courts of 67.50%. Therefore, the data reported for this measure is deemed Inaccurate.

4. **Key Performance Measure 6.** This measure is calculated by querying the State’s accounting system (FINET) for the amount awarded by Crime Victim Reparations (CVR) for reparation claims.

Definition Not Followed – In CCJJ’s Performance Measures Plan, this measure is defined as “the amount of money awarded to all victims and providers on reparations claims excluding sexual assault forensic examinations by CVR during a fiscal year.” However, in calculating the measure, CCJJ included claims paid for sexual assault forensic examinations. Table 12 below shows that there is a significant difference between what was reported and what should have been reported. Therefore, the data reported by CCJJ for this measure is deemed Inaccurate.

Table 12. Difference in CVR Awards Reported for Fiscal Year 2007

<u>Amount awarded for reparation claims:</u>	
Including sexual assault forensic examination claims (Reported)	\$7,387,428
Excluding sexual assault forensic examination claims (Actual)	<u>\$6,751,415</u>
Amount Difference	\$636,013
Percent Difference	9.42%

5. **Key Performance Measure 8.** This measure is calculated by summarizing data obtained quarterly from grantees regarding the number of individuals who have received training through child sexual exploitation prevention funded grant programs.

Definition Not Followed – CCJJ reported the number of individuals trained as 86,000, which was the approximate number trained during the entire program cycle, encompassing fiscal year 2007 and the first quarter of fiscal year 2008. However, the

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measure should have been reported for fiscal year 2007 only, and not for the entire program cycle. Although the number of individuals trained is within +/-5% for the entire program cycle, the number of individuals trained during fiscal year 2007 is significantly less than the total number reported (see Table 13 below). Therefore, the data reported for this measure is deemed Inaccurate.

Table 13. Number of Individuals Trained

	<u>Fiscal Year 2007</u>	<u>Entire Program Cycle</u>
Total Reported	86,000	86,000
Actual	<u>77,230</u>	<u>88,521</u>
Number Difference	8,770	(2,521)
Percent Difference	10.20%	-2.93%

6. **Key Performance Measure 7.** This measure is calculated by querying the Victim Information and Notification Everyday (VINE) system which is maintained by Appriss, Inc., the VINE system vendor.

Definition Not Followed – The documented definition for this measure is the “number of victim interactions recorded by VINE per month or year.” However, the VINE system does not allow for differentiation between victim and non-victim interactions. As a result, CCJJ used the total number of interactions recorded by VINE in calculating this measure, which includes both victim and non-victim interactions. Because CCJJ used incorrect data when calculating this measure, there is no way to determine what the actual result should be; therefore, this measure is deemed Undeterminable.

Recommendation:

We recommend that CCJJ establish or strengthen existing internal controls to ensure that performance measure data generated internally and data obtained from external parties is accurate, complete, and consistent with the critical elements (e.g., measure definition, data collection and data calculation methods, etc.) for each key performance measure in CCJJ’s Performance Measures Plan.

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Objectives, Scope, and Methodology

The Utah Commission on Criminal and Juvenile Justice (CCJJ) was established as part of the Governor's Office in 1983. CCJJ's mission is to promote broad philosophical agreement concerning the objectives of Utah's justice and substance abuse systems, and to provide a mechanism for coordinating the functions of the various branches and levels of government concerned with the administration of justice, addressing the needs of victims, coordinating substance abuse issues, and facilitating prevention and treatment services where appropriate.

OBJECTIVES

Determine if CCJJ has the following:

- Performance measures that are reasonable, balanced, utilized, communicated, and consistent with their statutory intent.
- Procedures for reporting accurate and complete performance measures to executive management, the Governor's Office of Planning and Budget (GOPB), and the Office of the Legislative Fiscal Analyst.
- Adequate controls in place for collecting, calculating, and reporting performance measures.

SCOPE

Our audit scope covered the 10 key performance measures identified by CCJJ for fiscal year 2007. Our audit scope includes the Utah Sentencing Commission and the Utah Substance Abuse & Anti-Violence Council because, although they are statutorily separate, both entities are included in CCJJ's budget process. We also reviewed controls over the generation and submission of the performance measure data and traced information to original source documentation as considered necessary.

Subsequent to beginning this audit, GOPB published *Guidance on Performance Measure Management* ("The Guide") as an effort to give consistent and coordinated attention to performance measure management. Prior to publication of *The Guide*, there were no formally documented policies and procedures for performance measure management in Utah. The principles in *The Guide* were not required for measures reported before January 1, 2008 and, as such, are not applicable to this audit. However, as communicated to CCJJ, we used a standard of widely-used, effective performance measure principles, which were subsequently published in *The Guide*, as a baseline for our audit and made recommendations accordingly.

METHODOLOGY

Our audit methodology included gaining an understanding of the agency; performing preliminary analytical procedures; interviewing agency personnel; identifying key performance measures to audit; auditing results for accuracy, completeness, and adherence to the measure definitions; evaluating controls over performance measure processes and related information systems; and testing samples of source documentation.

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Examples of Performance Measures at Other Governmental Entities

We reviewed performance measure reporting for several other state governments and the Federal Government. Each entity uses a different reporting format; however, critical elements such as targets were utilized by all entities in their performance measurement reporting.

Included below is information about performance measure reporting at several different entities. Website references are included and can be followed to view examples of performance measurement reporting. CCJJ can refer to these examples for ideas when establishing and reporting performance measures.

In reviewing examples from other governmental entities, it is important to remember that performance measures should be specific to CCJJ's organizational mission, objectives, strategic plan, and goals. Also, performance measures and their critical elements should be reported within the structure and format established by GOPB and LFA.

FEDERAL GOVERNMENT PROGRAMS/AGENCIES (<http://www.expectmore.gov>)

The content on ExpectMore.gov is developed by the U.S. Office of Management and Budget and Federal agencies. Together, they assess the performance of every federal program and are held accountable for improvement and use of tax dollars. 2006 represents the fourth year of assessing programs. Performance data can be searched by agency or program.

VIRGINIA (<http://www.vaperforms.virginia.gov>)

This website is developed by the Council on Virginia's Future and shows how the state's current performance is measured. Virginia state government agencies develop and implement Strategic and Service Area Plans to support achievement of their long-term objectives and fulfill their missions and mandates. Included in these plans are agency performance measures and administrative performance measures.

WASHINGTON (<http://www.ofm.wa.gov/budget/manage/default.asp>)

Washington State Performance Progress Reports provide information about the performance and accountability of Washington State government. Under the state's Budget, Accounting, and Reporting Act, state agencies are required to establish objectives for each major activity that measure whether the agency is achieving or making progress toward the purpose of the activity and statewide result.

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OREGON (<http://www.oregon.gov/DAS/OPB/APPR07.shtml> or <http://www.oregon.gov/DAS/OPB/GOVresults.shtml>)

The Oregon Progress Board is an independent state planning and oversight agency. The Board monitors the state's 20-year strategic vision, *Oregon Shines*. The 12 member panel, chaired by the Governor and made up of citizen leaders, reflects the state's social, ethnic and political diversity. The Board helps establish Oregon benchmarks, which are used for a broad array of policymaking and budget-related activities. Oregon state agencies are required to link their key performance measures to the benchmarks.

TEXAS (<http://www.lbb.state.tx.us/>)

The Legislative Budget Board (LBB) is a permanent joint committee of the Texas Legislature that develops budget and policy recommendations for legislative appropriations for all agencies of state government, as well as completes fiscal analyses for proposed legislation. The LBB also conducts evaluations and reviews for the purpose of identifying and recommending changes that improve the efficiency and performance of state and local operations and finances. Texas has implemented the Strategic Planning and Performance Budgeting (SPPB) System, which is a mission- and goal-driven, results-oriented system that combines strategic planning and performance budgeting into the State's appropriations process. The SPPB System is used in making state funding decisions based on whether state agencies are accomplishing expected results as reported in the Automated Budget and Evaluation System of Texas (ABEST). This website contains links to resources on performance measure reporting.

GEORGIA (<http://cjcc.ga.gov/researchDetails.aspx?id=182>)

This is the website for Georgia's Criminal Justice Coordinating Council and includes their Strategic and Business Plan for 2008. The Council is a 24-member board charged with coordinating, researching and creating policy regarding the justice system in Georgia. The Strategic Plan outlines and ties together the agency's vision, mission, and strategic goals, objectives, and outcomes. Performance measures are also included in the Strategic Plan.

IDAHO (http://dfm.idaho.gov/Publications/BB/PerfReport/perfrpt_index.html)

The Division of Financial Management (DFM) is the Governor's budget and policy office and is part of the Executive Office of the Governor. The Division of Financial Management is dedicated to promoting government productivity and efficiency by creating and implementing informed policy analysis, accurate revenue forecasts, and adequate budgets for the State of Idaho. Idaho Code requires that agencies submit an annual strategic plan and performance measures report; the performance measure reports are included on this website.



State of Utah

JON HUNTSMAN
Governor

GARY R. HERBERT
Lieutenant Governor

Governor's Office of Planning and Budget

JOHN E. NIXON, C.P.A.
Executive Director

PHILLIP JEFFERY
Deputy State Budget Director

March 20, 2008

Auston G. Johnson
Utah State Auditor

Re: Report No. 08-01

Dear Mr. Johnson,

We have reviewed the audit of the performance measures used by the Commission on Criminal and Juvenile Justice (CCJJ), and appreciate the opportunity to respond to it. The report is valuable to the Governor's Office of Planning and Budget (GOPB) as we are in the process of implementing this initiative.

One of the driving concerns with this initiative is to make a lasting cultural impact. To do this, it is important for the agencies to "own" their performance measures. Therefore, the initiative has thus far been presented in terms of an iterative process.

As we move forward with this initiative, we will look for ways to implement the suggestions contained in the audit.

Sincerely,

A handwritten signature in black ink, appearing to read "John Nixon".

John Nixon
Executive Director, GOPB



State of Utah Commission on Criminal and Juvenile Justice

JON M. HUNTSMAN, JR.
Governor

ROBERT S. YEATES
Executive Director

GARY R. HERBERT
Lieutenant Governor

February 19, 2008

Auston G. Johnson
Utah State Auditor

Re: Report No. 08-01

Dear Mr. Johnson,

We have reviewed the audit of the performance measures used by the Commission on Criminal and Juvenile Justice (CCJJ) and appreciate the opportunity to respond to the recommendations of the audit. CCJJ recognizes the importance of an effective performance measure system for any government agency and welcomes your input and valuable advice in improving our efforts.

Over the next few months, we will carefully review the audit and work to create a better performance measurement system that incorporates the audit recommendations. CCJJ's goal is to develop the best performance measurement system possible and believes that the audit will help us to achieve that goal.

We appreciate the professionalism and hard work of the staff assigned to the audit and look forward to additional work on this subject with your office.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert S. Yeates".

Robert S. Yeates
Executive Director

