RESPONSE TO GRAND JURY REPORT FORM

Report Title: "Looking Between the Lines" A Review of the County's Budgeting Processes

Report Date: May 23, 2005

Response by: AUDITOR-CONTROLLER'S OFFICE

FINDINGS

- I (we) agree with the findings numbered: F4, 5, 6,
- I (we) disagree wholly or partially with the findings numbered: F1, 2, 3

  (Attach a statement specifying any portions of the findings that are disputed; include an explanation of the reasons therefor.)

RECOMMENDATIONS

- Recommendations numbered SEE ATTACHED have been implemented.

  (Attach a summary describing the implemented actions.)

- Recommendations numbered R1 – R6 have not yet been implemented, but will be implemented in the future.

  (Attach a timeframe for the implementation.)

- Recommendations numbered SEE ATTACHED require further analysis.

  (Attach an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or director of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.)

- Recommendations numbered SEE ATTACHED will not be implemented because they are not warranted or are not reasonable.

  (Attach an explanation.)

Date: 7/12/05 Signed: _____

Number of pages attached____

Grand Jury responses:

FINDINGS

F1. Commitment to the "Managing for Results" program is inconsistent.

The Managing for Results (MFR) program is managed by the County Administrator's office. The budget instructions for FY 2004-05 did not include a request for implementation of the MFR program; therefore the Auditor-Controller's budget as well as the majority of department budgets did not include MFR components.
The pilot implementation conducted by the department of Health and Human Services and the Probation Department did not extend beyond those two departments.

F2. Timelines for implementation of "Managing for Results" are either non-existent or not spelled out.

Fiscal Year 2005-06 will be the first year of implementation.

F3. Performance measurements that would provide a yardstick for goal achievement are non-existent in the Service Areas.

a-d. It is our understanding that performance measures will be developed as the program evolves. The implementation of the MFR program will occur over a period of years.

F4. The County Administrator generally is not held accountable for program outcomes, even though he is responsible for budget preparation and control.

True. The County organizational structure is such that departments are held accountable for program outcomes rather than the County Administrator.

F5. Establishing clear lines of authority and accountability is difficult.

True. Appointed department heads answer directly to the Board of Supervisors whereas elected department heads are responsible to the citizens of Marin. Part of the implementation of Managing for Results should be to developed clear lines of responsibility for achieving outcomes.

F6. The "Pay for Performance" goal may not be achievable.

This is a Board of Supervisor policy matter and is under consideration.

RECOMMENDATIONS

R1. The Board of Supervisors define accountability for program outcomes.

Agree

R2. The "Managing for Results" program have definite timelines for its implementation.

Agree

R3. The Maximizing Performance Program be mandatory.

This is a Board of Supervisor decision.

R4. Performance indicators be outcome based.

Not all performance indicators can be outcome based. The most appropriate type of indicator to use in a given situation will determine whether an outcome based indicator is warranted.

R5. The performance measures be compared to other counties and the private sector to find the best practices so the County can ensure "We are doing the right things well"

The County Administrator is responsible for the implementation of the MFR program. Other counties performance measures do not necessarily conform with our requirements and may not be suitable under the MFR program. As the program is implemented, performance measurements will be developed and opportunities for comparison with other organizations will be identified.

R6. Mechanisms be put in place so, when opportunities for improvement are identified, the improvements can be made in a timely manner.

Agree