**Budgeting for Results Commission**

Friday, April 24th, 2015

10:00AM- 12:00PM

**Meeting Locations**

Chicago – James R. Thompson Center, 100 W. Randolph, 2nd Floor, Room 2-025

Springfield – Stratton Building, 500 ½

Dial-in: 888-806-4788 Access Code: 895-685-1121#

**Attendance**

Chicago: Jill Baker, John Bouman, Larry Joseph, Jack Kaplan, Jim Lewis, Veronica Lyach, Annie McGowan, Sophia Ronis, Alex Rorke, Jason Saul, Caroline Staerk, Jacob Stuckey

Springfield: Dianne Barghoutti, Joseph Beyer, Curt Clemons-Mosby, Scott Harry, Michael Holmes, Senator Dan Kotowski, John Lowder, Ken McCaffrey, Nancy Ryan, Kevin Schoeben, Brook Stewart

Phone: Senator Pamela Althoff, Carol Brown, John Kamis, Nicole Griffith, Howard Peters, Roger Myerson, Steve Schnorf, Layla Suleiman Gonzalez, Charlie Weikel, Rhonda Woodson

**Agenda**

1. **Welcome and Introductions-** Senator Dan Kotowski

Senator Kotowski welcomed everyone to the meeting and had everyone present introduce themselves.

1. **Review and Approval of Minutes-** Senator Dan Kotowski

The January meeting minutes were approved with no comments or edits.

1. **Performance Measures-** Senator Dan Kotowski

Senator Kotowski noted that in the previous meeting, Curt Clemons-Mosby of the Governor’s Office of Management and Budget, presented on the Illinois Performance Reporting System. He noted that the measures within the system are the foundation for the commission. He stated that he would like budget discussions to be based on measures that work, and as such, the quality of the measures used are important.

1. **Transition Update-** Jacob Stuckey / Curt Clemons-Mosby

Senator Kotowski invited Governor’s Office of Management and Budget (GOMB) representatives to give feedback on the commission’s role and the administration transition. This is the commission’s first meeting under the new administration.

Scott Harry noted that the administration transition has been seamless for Budgeting for Results. Currently, Office of Management and Budget is working with the new leadership team in the agencies and the Office of the Governor to ensure each agency has a Chief Results Officer (CRO) in place and they begin to familiarize themselves with the Budgeting for Results program and their agency’s measures.. Scott also noted that there was a training for the agencies’ Chief Results Officers (CROs) in the prior week and indicated the CROs are not stand-alone positions but rather a responsibility added to a person’s existing duties. This training introduced the CROs to both the Budgeting for Results program and the Illinois Performance Reporting System (IPRS). GOMB looks forward to working with the Commission on its goals for the upcoming year, that may include adding sub-outcomes as well as linking BFR programs to specific grantees and their performance through the Grant Accountability and Transparency Act (GATA) initiative

Senator Kotowski noted that GATA is a tool for accountability and is not intended to replace BFR. The two programs should keep pace together. Senator Kotowski introduced the Governor’s point people for BFR, Joseph Beyer and Charlie Weikel. Beyer noted that the Governor’s Office would be meeting with agencies on their data.

Senator Kotowski asked whom the CROs reported to, and Curt Clemons-Mosby stated that the CROs are reporting to GOMB on a quarterly basis. The CROS are inputting their agency data on a quarterly basis. Senator Kotowski also asked when the IPRS data was going to be released to the public. Curt Clemons-Mosby noted that agencies are currently getting time to review their data, and the goal is to post the data publically by the end of next quarter, the end of June 2015. The Governor’s Office is supportive of this timeline.

Jason Saul questioned how the commission would determine what data is most useful to make decisions with, whether raw data or analyzed data. Senator Althoff stated that she believes all data will be useful at the start and priorities may be changed moving forward. Steve Schnorf stated that the commission needs to decide if their role is passive data collection or more active to conduct analysis on programs that are more cost effective for the objective. He also stated that he believes the commission is at a point to reassess their role, and he believes the commission should serve as an active analyzer of data to provide opinions to the General Assembly. Senator Althoff agreed that the commission should be active and utilize as much data as possible to make recommendations. Schnorf noted that the informed opinion of the commission is valuable.

 Layla Suleiman Gonzalez stated that program data is too specific and limited to make recommendations on, and Senator Kotowski agreed that the data needs to be broadened to inform. Suleiman Gonzalez stated that the commission needs to determine what kind of data is needed, and agencies should be told what data to provide. She also noted the IT limitations many agencies face, stating that the commission needs better data frameworks for linking data systems and getting the data needed to inform the General Assembly.

Senator Kotowski noted that in Senate Appropriations, they have been asking questions about outcomes agencies are working towards as well as positive outcomes they have had. Jason Saul noted that in working with agencies and comparing Illinois’ BFR system to other states, there is often a difficulty connecting metrics to outcomes. This makes it difficult to see how effective programs are as well as determine their cost effectiveness per outcome. Jason noted that it might be useful to refine data by quality and for comparison.

Senator Kotowski noted that it would also be useful to determine outcome by population served. He believes that more information would be better, but that the agencies should also gather more information on if a program is providing value or impact. He noted MAP grants as an example of resources working for a broad impact, but recognized that some measures will be less easy to measure the outcomes positively. He believes that once the data is publically available, better questions can be asked about the outcomes of programs.

Jim Lewis asked what questions should be asked of service providers. He offered that requesting information on cost per outcome, how they are stretching resources to reach populations, and what services are being provided to whom. Senator Kotowski questioned how to deal with difficult to measure metrics. Lewis noted that there is no reason to have non-meaningful measures, but that the commission should be interested in outcomes instead. He noted that agencies should develop specific, meaningful measures that show impact. Senator Kotowski noted that many agencies get anxiety about measures because meaningful impact is different for each agency. Layla Suleiman mentioned Alcohol and Substance Abuse Treatment as a program example, where the best prediction of success is whether patients get into treatment within 30 days. This is an intermediate outcome, but it is still a measure that reflects a successful outcome. Suleiman also noted that providers want to be involved in determining measures with state agencies. However, she noted again that these providers and agencies need to develop the proper IT structure to gather data and determine the effectiveness of programming. Larry Joseph agreed with Suleiman. He also stated that outcome measures and data should be examined in the proper context of population and program funding levels.

Steve Schnorf questioned whether there needs to be a value placed on the programs or if they were value neutral. He suggested the commission needed to develop a value system to discriminate among programs when determining funding and how programs compare. Senator Kotowski responded that first the commission needed to gather comprehensive information and leave it to policy makers to make value judgements. He noted that decisions are currently being made on finances, not based on program effectiveness because the data has not been collected comprehensively. Senator Kotowski believes that the commission cannot make value judgements on programs but rather should focus time on making sure the data is collected and available for discussions to be made. Jim Lewis countered that he felt that the commission needed to take the data as far as possible analytically to provide information for decision-making. Larry Joseph stated that the commission needed to collect data and determine what the collected data does not show, including determining what the impact of funding could be if the commission assigns layers of value to programs.

Howard Peters questioned what data would be useful for decision-making. He also noted that the commission should refine data down to the best sets of data to examine. He did note that refining the data into the most useful information might also be seen as a value judgement. Roger Myerson felt that the commission served best when helping clarify the process of budgeting. John Kamis noted that the commission had been developing and providing infrastructure in the BRF process to this point. He stated that now the commission needed to determine what information is needed and how to provide this information for use to both the General Assembly and the public. Jason Saul stated that the commission’s purpose is not to just dump data or to make value judgements, but rather to provide more structured, refined data, including useful types of data and sample reports and analytics. He noted that the commission should look for data that is actionable to perform the budget process, including program efficiency rates and how those rates are supported by performance metrics data. Senator Althoff agreed that the policymakers can use the data to inform themselves, and that the commission should provide data and make recommendations for next steps on programs and budgeting.

John Lowder noted that his long-term vision for the commission is to provide policy makers with perspective, including what outcomes and sub-outcomes should be supported by the budget, how data applies to programming, and evaluating data and making recommendations on data to policy makers. Senator Kotowski noted that the commission should not be looking for specific outcomes, but rather general outcome areas to support through funding. Larry Joseph noted that he felt that the purpose of the commission was not to make recommendations but to provide structure and transparency in the BFR process. He questioned how the commission made distinctions between programs. Senator Kotowski noted that the quality and outcomes of the data would allow the commission to make distinctions.

1. **Commission Priorities for 2015**

Senator Kotowski noted that his priorities for the commission in 2015 include having the IPRS data publically available by the end of June, as well as developing the database to capture more information. In addition, he would like the commission to make recommendations to the General Assembly based on trends seen in the data.

Steve Schnorf noted that he would like the commission to continue identifying mandates that could be repealed. In addition, he would like to look at transfers out of funds for the potential of ending or narrowing these transfers. By the end of the calendar year, he would like the commission to provide specific recommendations to the Governor and the General Assembly on programs or program areas and the outcomes of these programs.

Roger Myerson and Larry Joseph agreed that they would like to see increased budget transparency and examining and utilizing best practices from other states.

Layla Suleiman Gonzalez notes that she would like the commission to rethink their engagement strategy, such as following up after BFR hearings and the public facing website when available. Senator Kotowski noted that he hoped that posting the data publically should engage providers and public more in the process.

John Lowder requested that the commission examine the difference between policy budget priorities and agency budget priorities.

Senator Althoff would like to look into the Other State Funds. Senator Kotowski agreed, noting that many other states do not practice this, and he would be interested in the potential for collapsing funds into the general revenue fund.

Scott Harry also noted that the commission should consider reviewing and proposing revisions to the Illinois State Legislative appropriation request forms to change the perspective from the traditional line item approach to the BFR program approach to make the forms more useful for the commission and for the policy makers in the budgeting process.

1. **Other Business**

Senator Kotowski thanks everyone for coming and participating in the discussion of the commission’s role following the administration transition and the upcoming priorities for the commission. He stated that he encouraged the Governor’s office to look at the commission as a way to promote areas of reform and provide support for policy initiatives through data.