

**Caseload Forecast Council
Six Year Strategic Plan
Fiscal Years 2009 – 2014
As of June 2008**

A. Mission Statement

To provide state government with accurate, unbiased, and widely understood caseload forecasts, to analyze key forecast drivers, and to identify the potential risks to the forecasts.

Vision

CFC caseload forecasts are a trusted component of the state budget process allowing decision makers to efficiently allocate state resources to achieve citizen goals through the priorities of government.

Guiding Principles

- Integrity
- Expertise
- Innovation
- Collaboration
- Accountability

The Caseload Forecast Council is committed to maintaining integrity in our forecast process and outcomes. Trust and confidence in caseload forecasts is created through an open, transparent, and collaborative process that involves key decision makers.

We are committed to ongoing staff development and training with the goal of maintaining a high level of expertise in a variety of forecast methods. We value innovation both in the scope of forecast methodology and in our openness to new ways of producing and presenting forecasts.

As individuals and as an agency we are accountable to the Caseload Forecast Council, to the program areas impacted by our forecasts, and to the citizens of Washington to have a well functioning state budget process.

B. Statutory Authority Statement

RCW 43.88C creates the Caseload Forecast Council and specifies which forecasts it prepares.

RCW 43.88C.020(5) provides “The official state caseload forecast under this section shall be the basis of the governor’s budget document as provided in RCW 43.88.030 and utilized by the legislature in the development of the omnibus biennial appropriations act.”

Priorities of Government

The CFC's main role is to improve state government's ability to achieve results efficiently and effectively.

Accurate, unbiased, and well understood entitlement caseload forecasts allow resources to be properly allocated to fulfill entitlement obligations and to determine available resources for other state priorities. By facilitating the proper allocation of state resources, the CFC's contributes to the following additional results:

- Improve **student achievement** in elementary, middle and high schools
- Improve the **health** of Washingtonians
- Improve the **security** of Washington's vulnerable children and adults
- Improve the **safety** of people and property

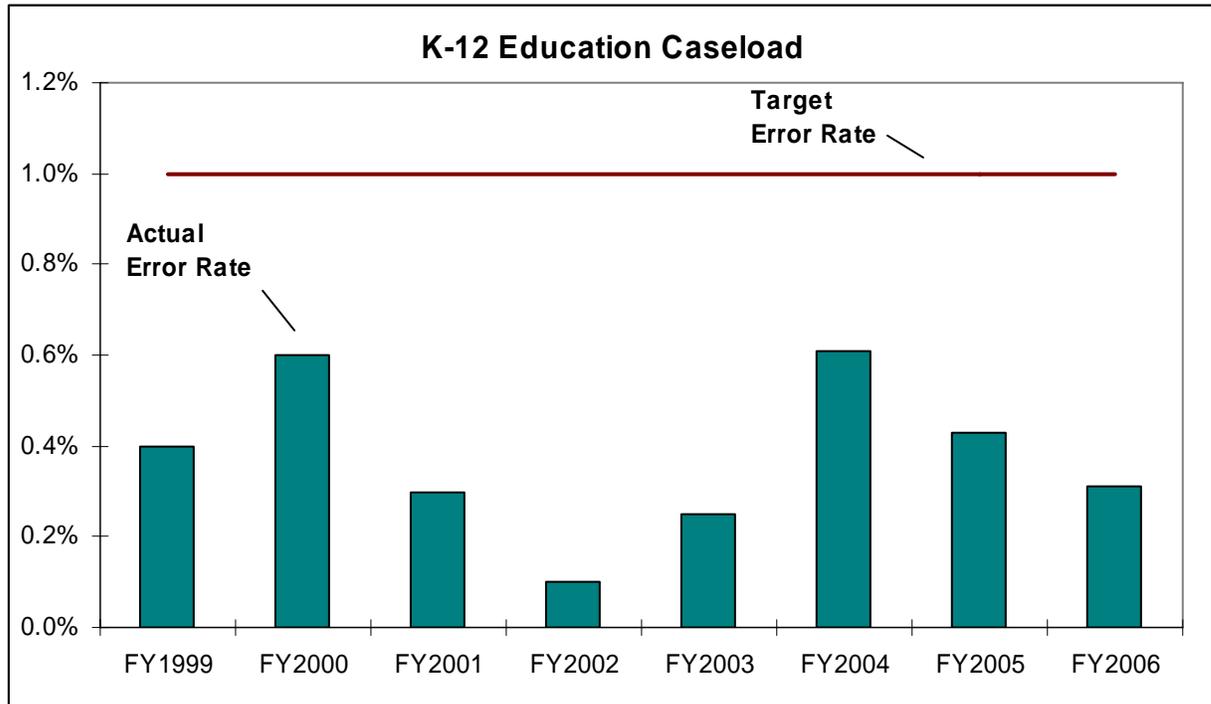
C., D., and F. Goals, Objectives, and Strategies

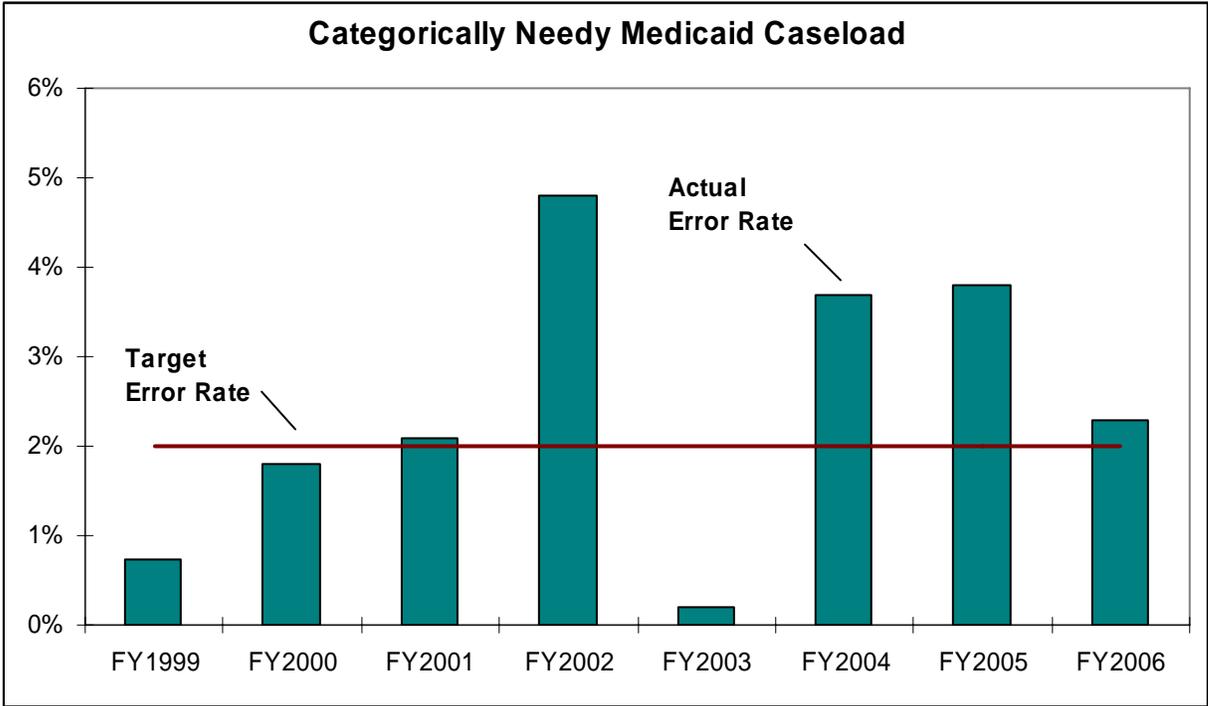
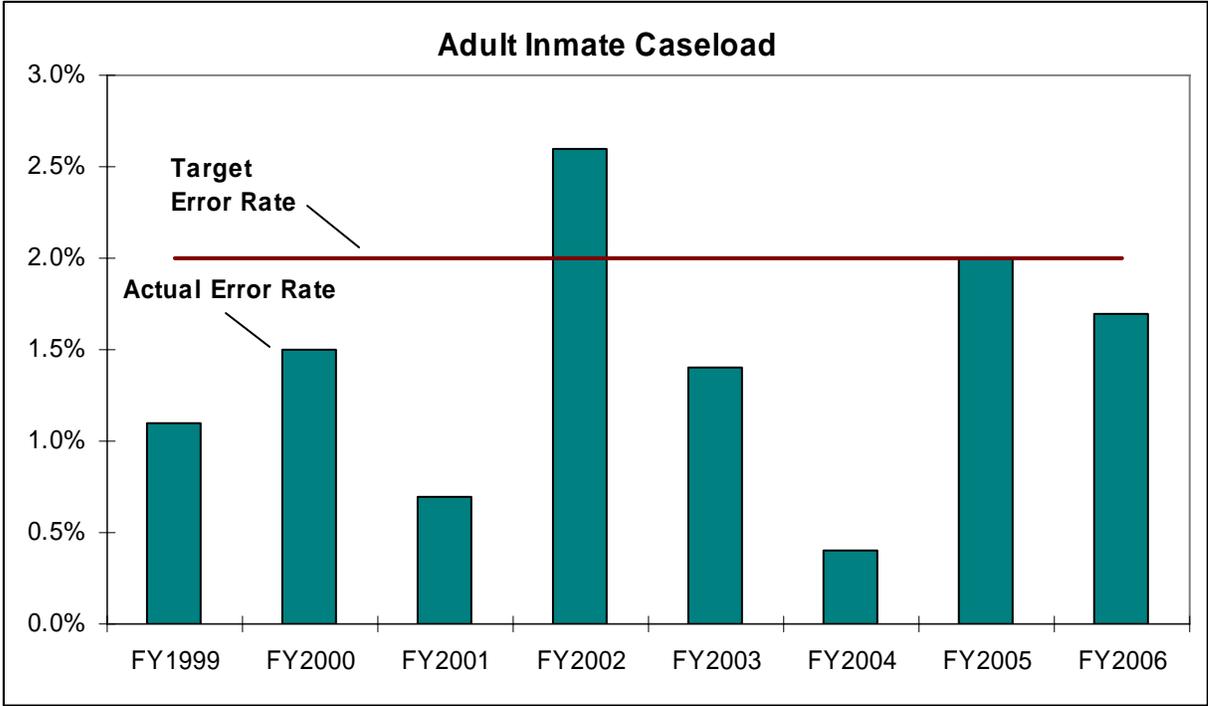
Goals	Objectives	Strategies
1. Provide accurate and useful forecasts to all customers	Tie objective and effective performance assessment to key management decisions.	By August 2008, create second year of performance assessment against objective benchmark. Use results of performance assessment to improve forecast modeling in fiscal year 2009. Provide access to current performance assessment on agency website summer 2008.
	Produce forecasts through an open and transparent process.	Complete new customer survey fall 2008 with focus on developing consistent best practices for workgroup process. Redefine role of the Formal Workgroup in consultation with new and continuing members, fiscal year 2009.
	Identify, document, communicate, and track effective practices.	Organize current best practices into one document - fall 2008 and make accessible to workgroup members on website summer 2009.
2. Create innovative, new ways to provide information	Include additional context for current forecasts.	Identify research targets related to improving the understanding of forecast movements. Expand agency capacity to pursue research agenda – staff, data access, new research projects: fiscal year 2009.
	Evaluate the extent to which current best practices lead to more accurate and useful forecasts.	Policy change impact census by summer 2008. Develop and implement best practices of policy impact inclusion in forecasts by spring 2009.
	Expand scope of forecasts.	Incorporate demographic trends in long-range key forecasts by fall 2008.
3. Collaborate effectively with Council and partners	Implement new methods of collaboration with partner agencies	Solicit input from Formal Workgroup on all key agency documents completed by summer 2009. Participate in new data development systems at partner agencies fiscal year 2009.
	Improve service to Council	Implement system to formally solicit feedback from Council – fiscal year 2009. Engage Council in identifying areas of specific research interest related to caseload forecasts – fiscal year 2009.

4. Appreciate and support staff	Engage staff in work of agency	Engage staff in updating the agency’s mission, vision, and values – spring 2008. Continue monthly technical training session with staff – fiscal year 2009. Develop systematic approach to integrate performance measurement results in forecast process – fiscal year 2009.
	Provide opportunities for staff development and encourage skill development.	Individual Development Plans (IDPs) on file for each staff member – spring 2008. Allocate funds in agency budget for staff development related to IDPs - summer 2008.
5. Promote accountability and social responsibility	Meet all state agency requirements and comply with state rules and regulations	Update agency IT Portfolio, IT Security Plan, Disaster Recovery Plan and Safety Plan with respect to recent IT upgrades and agency relocation – summer 2008. Continue to develop required policies and update current policies - ongoing
	Take advantage of opportunities to share information, learn about current issues, and collaborate with colleagues	Participate in small agency cabinet meetings – fiscal year 2009. Work with OFM to exercise effective stewardship of agency budget through better communication and understanding of key accounting documents – fiscal year 2009.
	Use state resources effectively and efficiently	Link resources in budget to agency goals – summer 2008.
	Utilize sustainable business practices in all possible areas of agency operation.	Undertake green business initiatives – fiscal year 2009. Implement commute trip reduction policy and work with building owners to include green building features such as motion sensitive lights, operable windows, and use of shades.

E. Performance Measures and Targets

The main performance measurement for the agency is the error rate of the forecasts, calculated as the mean average percent error. Between fiscal years 1999 and 2006 this error rate was gauged against an arbitrarily chosen target rate. Although, in general, the goal is to have as low of an error as possible, the actual error relative to the target did not provide useful information on agency or forecaster performance. For example, during periods of time when there were many policy changes affecting the caseload, or data problems, the actual error would increase. The arbitrary target error, though, was never adjusted.





The agency's newly developed performance measures (for the 2007-2009 Biennium) focus on estimating the value added by the forecast process. The actual forecast error is compared to an estimate of a baseline error rate that could be generated outside the technical workgroup process. This information can be directly used to improve the forecast process, and, thereby, to increase forecast accuracy over time.

Fiscal Year 2007 Performance Measures and Targets by Program Area		
Program	Target	Actual
K-12	0.7%	0.1%
Bilingual	4.1%	4.0%
Special Education	2.8%	0.3%
Running Start	4.2%	1.2%
Jouvenile Rehabilitation Administration	9.0%	1.5%
Adult Inmate	1.4%	2.1%
Community Supervision	10.6%	1.1%
General Assistance	3.9%	0.7%
Foster Care	1.1%	0.9%
Adoption Support	1.6%	0.2%
Categorically Needy Adults and Children	2.3%	2.1%
Medicaid for Aged, Blind, and Disabled	8.4%	4.7%
Other Medical Assistance Programs	6.3%	4.9%
Nursing Homes	1.9%	1.4%
Home and Community Services	0.8%	0.5%
Medicaid Personal Care for Children	7.5%	0.1%
Medicaid Personal Care for Adults	1.3%	0.1%

G. Performance Analysis

The CFC has met performance targets in all but one area. The new CFC performance measures are a much more useful tool in assessing the effectiveness of forecasts and have led to the development of agency best practices in forecasting.

Several recent national studies of forecasting methods have shown that workgroups are generally not effective forecasters. The agency is using and developing its best practices to mitigate the negative effects of group decision making on a technical process, while at the same time capitalizing on those aspects of the forecast process to which the workgroup can effectively contribute.

As we gain data over time on our new performance measures, we should be better able to judge the effectiveness of our strategies in improving value to the state.

H. Appraisal of External Environment

Key CFC Strategic Challenges	Areas of concern	Targeted actions
1. Changes at partner agencies	Personnel changes breakdown established means of communication	New member briefings Bring to attention of Formal Workgroup
	Data systems are being replaced or updated. Historical data series can be discontinued in this process.	Participate in data update groups at partner agencies.
	New administration can initiate different internal policies affecting caseloads.	Monitor administrative changes and work with contacts.
2. Legislative changes	Changes that affect agency operation	Work with Council members to provide input into legislation directly affecting work of agency.
	Changes in agency administrative requirements. These changes are the most likely to threaten staff's ability to carry out core mission.	Continue to work with small agency cabinet to mitigate the negative affect of such legislation on agency.
	Changes affecting entitlement caseloads.	Work with legislative, OFM, and partner agency staff to identify and quantify impacts of policy changes.

I. Assessment of Internal Capacity and Financial Health

Key CFC Strategic Challenges	Areas of concern	Targeted actions
Staff	Staff turnover in a small agency and ensuing disruption of work is a key risk to core mission.	Initiate staff transition planning. Fill at least one agency vacancy with flexible, multitalented new staff member able to take over some existing smaller forecasts, document forecast modeling, and pursue targeted research topics related to caseloads.
Funding	Agency's funding needs fluctuate depending on staff, IT, building needs, etc.	Construct agency six year funding plan, and increase agency flexibility to respond to changing conditions using savings incentive funds.
Building	Recent move to new facility caused major disruption to agency.	Work with OFM to maintain current residence to minimize future cost and staff time.
IT	Agency relies on a very high level of IT complexity.	Revise IT portfolio and develop plan for ongoing IT maintenance.