

Driving to 21st Century Accountability

What is it?

A plan to deliver the tools the state needs to preserve our current strengths and increase our focus on results so that we will have a solid foundation for the future

Twentieth century tools do not meet 21st century expectations.

Washington has led the nation with priority-based budgeting and has produced award-winning financial statements for 19 consecutive years. But, new demands driven by the government management and accountability program and performance auditing increase the need for responsive management tools and processes that focus even more on results.

Today, we are very good at:

Monitoring the direct costs of each agency program against its authorized budget, once a month

Counting inputs and outputs

Reporting past performance based on out-of-date and manually compiled data

Producing award-winning annual financial statements

Focus on Results

But, we also need to get better at:

Proactively preparing for POG, GMAP, performance audits and Independent Assessments

Evaluating which strategies are achieving results

Identifying:

- Service gaps/overlaps
- Programs that can be outsourced
- Low value roles/functions
- Opportunities to cut costs

Making timely, priority-driven course corrections

So that we can:

- ✓ Ensure taxpayers get the results they expect
- ✓ Better inform citizens about the value of government
- ✓ Answer and act quickly on key questions such as:
 - What is the most cost effective strategy for putting injured workers back to work?
 - What is the economic impact of various levels of traffic congestion?
 - Which office does the best job protecting vulnerable children?

Solving business problems independently

Finding errors and preventing fraud

Complying with financial and compliance audit requirements

Agency Collaboration and Best Practices

Collaborating on enterprise best practices, data standards and solutions that can be shared by many agencies

Adapting to new expectations (e.g. "Sarbanes-Oxley level" internal controls when required)

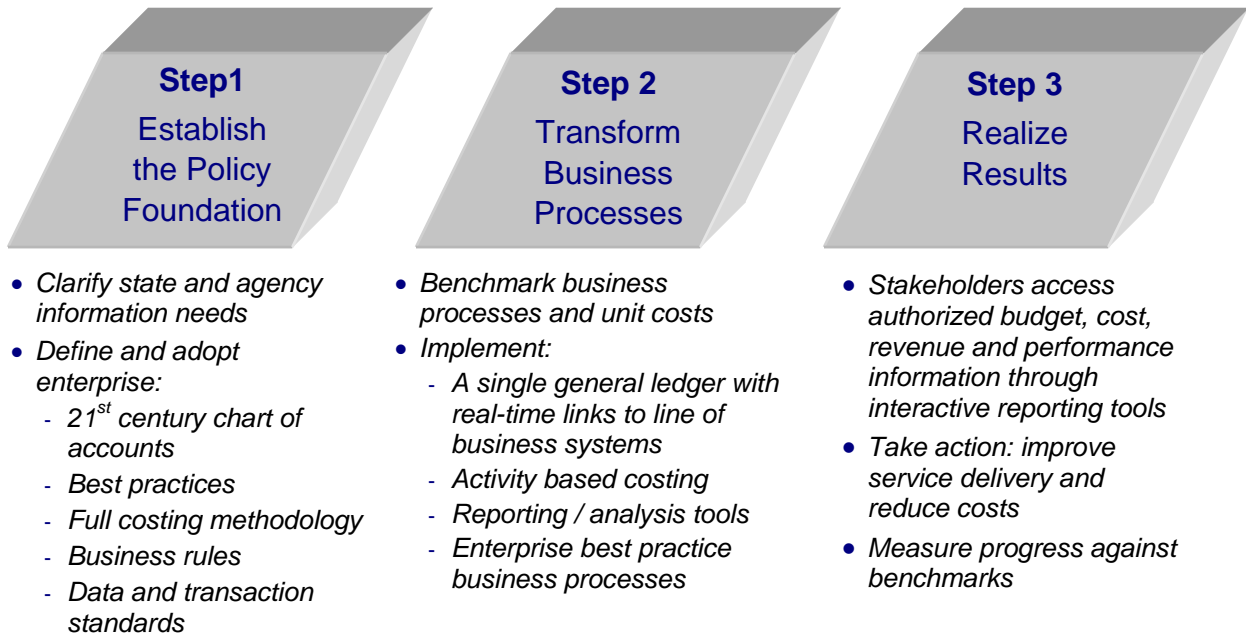
- ✓ Deliver services more effectively
- ✓ Keep improving customer service
- ✓ Make it easier for vendors and service providers to do business with the state
- ✓ Be competitive and stay competitive

The Dilemma

Washington is at a crossroad. We have two choices by which to address real and urgent business needs and risks. We can stay with the status quo where individual agencies invest in unique solutions that divert time, resources and energy from government-wide solutions. Or, Washington State government can lead the way by providing enterprise tools that benefit all agencies in a more systematic fashion.

The Strategy

Building on lessons learned from similar projects in Washington and other states, the *Drive to 21st Century Accountability* will be achieved in three overlapping steps.



Change can begin in the 2007-09 biennium if we mobilize a statewide effort led by qualified experts. With strong leadership, effective collaboration and adequate agency analytical capacity we will be able to gather more of the right information, more often, and in a more timely fashion so that we can support better decision making at all levels of government.

The Risks of Doing Nothing

- Continued struggle to answer questions using tools designed to meet the needs of a different era
- Lost credibility if audit findings cannot be addressed quickly and effectively
- Missed opportunities to save money through consolidation
- Lack of flexibility to address emerging state and federal requirements
- Lack of a foundation to for administrative transformation of a state with \$25 billion of revenues, \$24 billion of capital assets and \$4 billion of procurements

Vision is not enough, it must be combined with venture. It is not enough to stare up the steps, we must step up the stairs.

– Václav Havel, President of the Czech Republic