



STATE OF WASHINGTON
OFFICE OF FINANCIAL MANAGEMENT

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December 20, 2017

Keenan Konopaski, Legislative Auditor
Joint Legislative Audit and Review Committee
P.O. Box 40910
Olympia, WA 98504-0910

Dear Auditor Konopaski:

Thank you for the opportunity to review and respond to the Joint Legislative Audit and Review Committee's preliminary performance audit report on "*Measuring Outcomes of Land Acquisitions and Regulations.*" The Office of Financial Management (OFM) offers the following response.

Recommendation	Agency Position	Comments
The Office of Financial Management and the Recreation and Conservation Office should develop and submit a joint plan to the Legislature detailing actions, costs, and timelines needed to comply with statutes that direct them to measure performance of land acquisitions and related grant programs.	Concur	The Office of Financial Management will work with the Recreation and Conservation Office to develop a plan to identify measurable outcomes for land acquisition projects required by RCW 43.41.270(5).
If the Legislature wants reliable information about the outcomes of regulatory programs implemented at the local level, it should consider requiring state agencies to work with local governments to develop outcome-focused performance measures.	Concur	
The Department of Fish and Wildlife, the State Parks and Recreation Commission and the Department of Natural Resources should provide the Legislature with a plan detailing the resources necessary to report stewardship needs.	Concur	



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In concurring with these recommendations, OFM provides these additional comments.

OFM's role under RCW 43.41.270 is to *assist* natural resource-related agencies develop outcome-based performance measures and related monitoring program for administering a specifically defined set of natural resource-related and environmentally-based grant and loan programs. The agencies that administer the specified grant and loan programs have the responsibility to develop the most appropriate measures for their programs.

OFM will need to work extensively with the departments of Natural Resources, Fish and Wildlife, and Commerce; the Public Works Board; the State Conservation Commission; and the Recreation and Conservation Office and its Salmon Recovery Funding Board to develop a plan to measure the performance of land acquisitions and related grant programs. It is also important to recognize that the agency administering a grant or loan program may not be the lead agency monitoring the outcome-based result. For example, the State Conservation Commission awards grants to improve water quality but the Department of Ecology is the lead state agency for monitoring water quality.

In the absence of statutory guidance regarding stewardship of state lands, JLARC staff looked to OFM's guidance to state agencies for developing management plans. It should be clarified that OFM does not provide guidance for developing generic management plans but rather provides guidance for developing agency strategic plans as required under RCW 43.88.090(3). Although this strategic planning guidance is informative in this discussion, it is not necessarily the proper guidance for developing stewardship plans for natural resource agencies.

Thank you again for the opportunity to comment on this report.

Sincerely,

A handwritten signature in black ink, appearing to read 'DS', with a long horizontal line extending to the right.

David Schumacher
Director

cc: Jim Cahill, Senior Budget Assistant, OFM
Scott Merriman, Legislative Liaison, OFM
Tammy Firkins, Audit Liaison, Results Washington, Office of the Governor