



Massachusetts Recovery & Reinvestment Office



Presentation to American Association for Budget and Program Analysis

Budget and Performance from the State and Local Perspectives

Jeffrey A. Simon, Director
Massachusetts Recovery & Reinvestment Office
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Recovery Act Funding in Massachusetts

Funding Category	Awarded to State Agencies	Total Committed	Expended
Awards Subject to 1512 Reporting to the Federal Government			
Education	2,015,434,000	1,868,697,000	1,603,822,000
Clean Energy & Environment	237,419,000	214,036,000	179,456,000
Housing	115,590,000	114,984,000	105,600,000
Workforce Programs	77,349,000	77,070,000	72,763,000
Public Safety & Homeland Security	42,635,000	41,377,000	39,063,000
Transportation	395,624,000	359,769,000	299,078,000
Safety Net Programs	22,678,000	21,296,000	18,762,000
Technology & Research	90,516,000	73,323,000	61,348,000
Subtotal	2,997,245,000	2,770,552,000	2,379,894,000
Awards Not Subject to 1512 Reporting to the Federal Government			
Accountability	14,796,000	11,308,000	10,731,000
Clean Energy & Environment	7,196,000	7,196,000	7,196,000
Housing	110,346,000	109,871,000	100,030,000
Safety Net Programs	4,341,013,000	4,310,707,000	4,310,282,000
Technology & Research	193,000	191,000	191,000
Subtotal	4,473,544,000	4,439,274,000	4,428,431,000
Grand Total	7,470,789,000	7,209,826,000	6,808,325,000



Planning for Recovery Act

- Fall 2008 - Governor Patrick appoints Task Force
 - 10 groups
 - 7 activity groups
 - 3 process groups
- February 13, 2009 - Bill passed by Congress
- February 17, 2009 - President Signs ARRA
- February 18, 2009 – Governor issues Task Force Report
- February 18, 2009 – Governor appoints Recovery Director



Implementation

- Requests for Funding
- Mismatch between perception and legislation
- No federal guidance
- No staff
- Static website



Initial Action

- Budget Analyst analysis
- Trying to determine impact on state budget
- Lt Governor has solicited municipal proposals
- Two weekly Cabinet meetings
- Focused on project selection



Oversight

- Governor heavily involved
- MRRO monitors progress – defined as spending
- Cabinet meeting – Governor's questions
- Need for metrics – beginnings of Performance Management



Responding to Needs

- Review all 357 programs/projects
- Compare very different programs/projects
- Focused on spending as an indicator
- Monitoring Priorities List (MPL)
- Top 5/Bottom 5
- Sent weekly to Governor, Cabinet



Program Matures

- Needed to focus efforts
- Program evolved – ratio of % spent/% elapsed time
- Four categories
 - MPL 1
 - Review
 - Performing
 - Completed
- Incorporated in Top 5/Bottom 5



Influence on Behavior

- Data driven
- Objective (mostly)
- Response of Cabinet members
- Response of Agency/Department heads



Application Widens

- Administration/Finance (ANF) looking at
 - Performance Management
 - Program Budgeting
 - Data driven policy
- Linked closely to MRRO – observes effects
- ANF needs intersects w/MRRO experience
 - Metrics
 - Oversight
 - Motivators
 - Program integrity
 - Reporting – FFATA/DATA acts



Commonwealth Performance Accountability and Transparency

Transparency

Performance Management

- Performance
- Accountability
- Efficiency

Federal Grants Management

- Oversight
- Increase Funding
- Integration with policy

Program Integrity

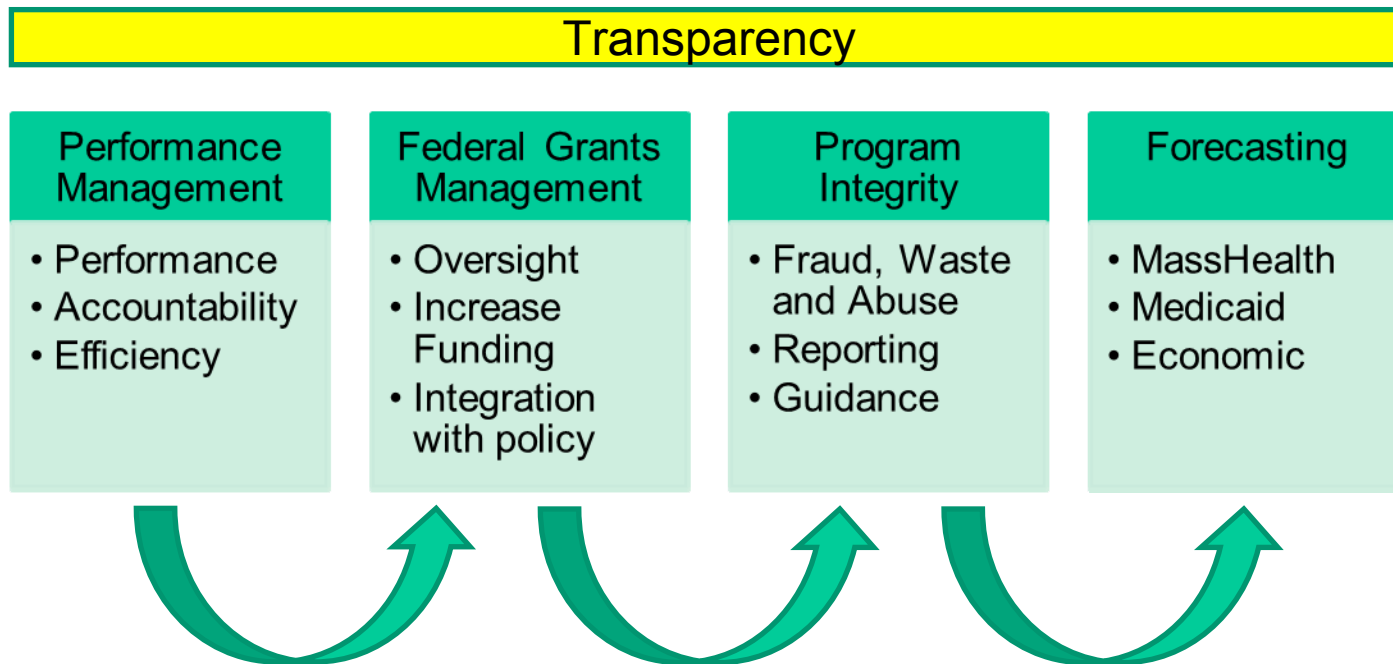
- Fraud, Waste and Abuse
- Reporting
- Guidance

Forecasting

- MassHealth
- Medicaid
- Economic



Power of the Integrated Model

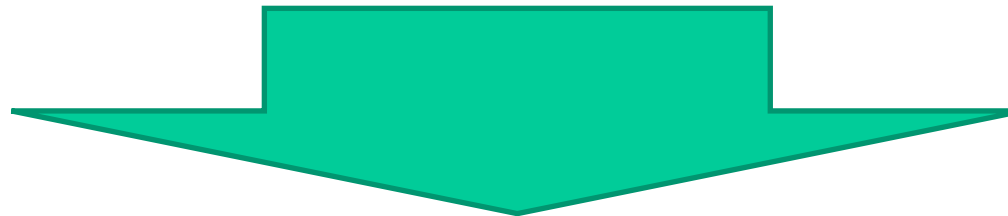




Outcome

Transparency

Performance Management	Federal Grants Management	Program Integrity	Forecasting
<ul style="list-style-type: none">• Performance• Accountability• Efficiency	<ul style="list-style-type: none">• Oversight• Increase Funding• Integration with policy	<ul style="list-style-type: none">• Fraud, Waste and Abuse• Reporting• Guidance	<ul style="list-style-type: none">• MassHealth• Medicaid• Economic



Performance Program Budgeting



Initial Implementation

- Governor's Priorities
 - Jobs
 - Healthcare cost containment
 - Reducing the education achievement gap
 - Combat teen violence
- Cabinet members take ownership
- Develop Performance Management templates
- Selection of ambassadors
- Training



Conclusion

- Started with little guidance/direction
- Need for information developed
- Response - we made it up (but it didn't matter)
- Backed into metrics
- Developed into Performance Management
- Now applying across state government



Issues

- Data driven policy requires data
 - Cost
 - Collection
- Metrics must be the right ones
- Culture change is difficult
- Small steps – big changes
- Taking a comprehensive approach



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jeffrey.simon@state.ma.us