



# Options for Selecting Boards and Commissions for Review Pre-Audit Report

Joint Legislative Audit & Review Committee  
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## Review Directed by 2007-09 Operating Budget Proviso



Mandate

The directive includes two key parts:

- Creating an inventory of existing boards/commissions
- Providing the Legislature with alternative approaches for selecting entities for review

## No Statutory Definition of Boards and Commissions



Board/Commission Definition

- ❑ For the purpose of this review, JLARC defines boards/commissions broadly as:  
**Entities that exist for a variety of regulatory, oversight, policy making, planning, advisory or quasi-judicial purposes governed by a group of board or commission members who act as a body to make decisions.**

## Tracking of Boards and Commissions Began in the 1970s



Legislative History

- 1977** – Legislature directed OFM to maintain a list of boards/commissions.
- 1987** – Legislature directed OFM to prepare sunrise notes with information on newly created boards/commissions.
- 1994** – Legislature directed Governor to review existing boards/commissions every two years.
  - New non-statutory entities must be approved by OFM before they are created.
- 2007** – Governor proposed shifting review responsibility to JLARC. The bill did not pass.
- 2008** – Legislature directed this JLARC pre-audit.

## JLARC Identified 470 Boards and Commissions



Sources for Inventory

- ❑ JLARC staff used a variety of existing lists to compile the inventory.
- ❑ JLARC also conducted research to identify additional entities.
- ❑ 400 of the boards/commissions have detailed information based on data submitted to OFM in 2005 and 2007. 70 have limited information based on JLARC research.
- ❑ JLARC used standard budget categories to organize the 470 boards/commissions into nine topic areas.

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## Three Types of Groups Are Not Included in the Inventory



- ❑ Groups that are temporary
  - Example: The Blue Ribbon Commission on Transportation
- ❑ Judicial boards/commissions
  - Example: Commission on Judicial Conduct
- ❑ Groups that operate solely in the legislative arena
  - Example: Legislative Ethics Board

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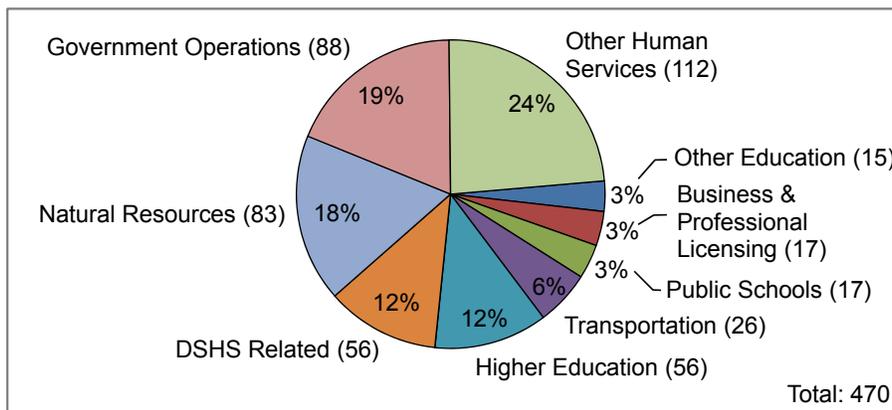
## Data Limitations



Data Limitations

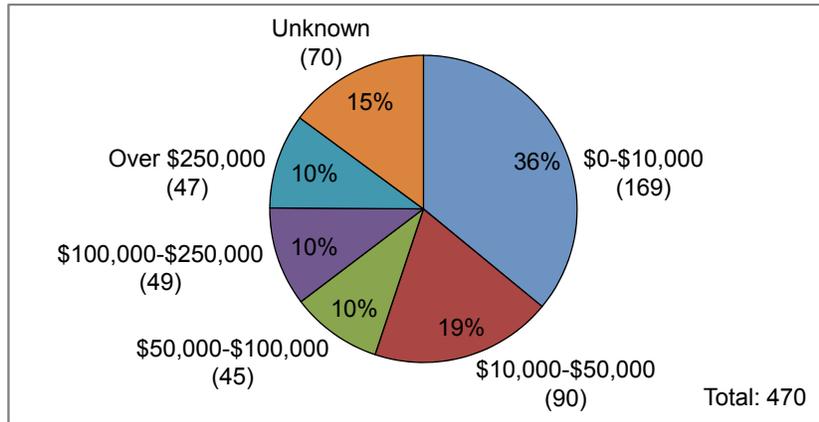
- ❑ JLARC inventory represents best currently available data but should not be considered exhaustive:
  - There was no one list where all entities could be found.
  - OFM data does not contain boards/commissions created in 2007 or later.
- ❑ JLARC did not validate information reported to OFM, like number of meetings per biennium or operating costs per biennium.

## Boards and Commissions by Topic Area



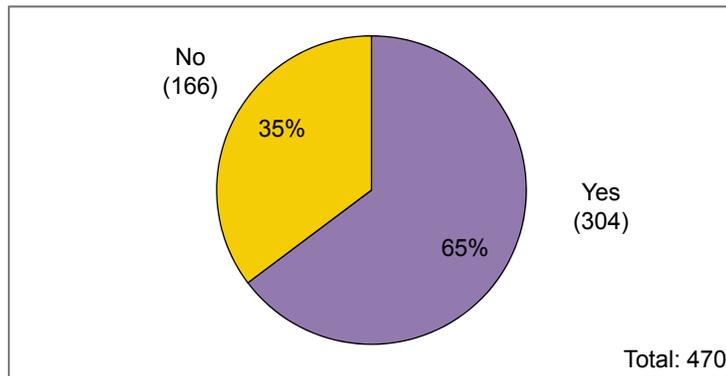
Source: JLARC analysis of agency data.

## Boards and Commissions by Most Recent Biennial Operating Costs Reported to OFM



Source: JLARC analysis of agency data.  
 Note: Categories are based on the 2007 OFM report

## 65% of Boards and Commissions Have a Specific Enabling Statute



Source: JLARC analysis of agency data.

## Four Approaches the Legislature Could Use to Select Entities for Further Review



Overview of Four Approaches

- ❑ Approaches were developed through a review of statute and a review of other states:
  1. Select entities with little activity
    - Minimal analysis
  2. Select entities with over \$250K operating costs per biennium
    - In depth, sunset-like review
  3. Select entities that adjudicate/license
    - Moderate, focusing on regulatory activities
  4. Select entities by topic area
    - In depth, sunset-like review

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## Number of Key Decisions Required to Proceed



Overview of Four Approaches

- ❑ All four approaches require a number of key decisions to proceed:
  1. How should boards/commissions be selected for review?
  2. How in-depth should the review be?
  3. How quickly should the review be completed?
- ❑ Answers to these questions will determine estimates of staff needed to complete the reviews.

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## Creating Estimates for Number of JLARC Staff Needed to Complete the Reviews



Overview of Four Approaches

- ❑ Due to the limitations of the data, we created a range of staffing estimates.
- ❑ The depth of review depends on the approach, how quickly the Legislature wants the reviews completed, and the complexity of each entity.

## Estimates of Staff Needed to Complete Reviews under Each Approach



Approach	Est # of Reviews	Years to Complete	Staffing Estimate
Little Activity	36	1	1 - 3
		4	0.5 - 1
Over \$250K in Biennial Operating Costs	67	6	7 - 11
		12	4 - 6
Adjudicate/License	45	4	4 - 7.5
		12	1 - 2.5
Entities by Topic Area (example: Higher Education)	56	4	5 - 9.5
		12	1.5 - 3

*Note: Staff estimates may not require additional staff for JLARC's budget.*

## Possible Next Steps for the Legislature



Next Steps

- Next Steps:
  - Choose an approach or combination of approaches
  - Select timeline & budget options for reviews
  - Have JLARC finalize list of boards and commissions
  - Direct JLARC to develop a more detailed Scope and Objectives with a final list of entities to be audited
- Direct JLARC to collect new data for improved information on all boards/commissions

## Contact Information



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