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Establishing a Program Evaluation Office

Recommendations to the
North Carolina General Assembly

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Establishing a Program Evaluation Office Recommendations to the North Carolina General Assembly

Executive Summary

At the request of the Government Performance Audit Committee (GPAC) of the North Carolina General Assembly, in January 2007 the National Conference of State Legislatures (NCSL) submitted a proposal to study the feasibility of establishing a program evaluation unit for the North Carolina General Assembly.

NCSL is well suited to provide advice on the issue. NCSL has been a resource for information about the program evaluation movement for many years. It provides a central resource for information sharing about program evaluation office structure, practice, training and innovation. NCSL also provides resources and staff support to the National Legislative Program Evaluation Society (NLPES), a 50-state network and professional association of legislative staff who specialize in legislative program evaluation. NLPES is the nation's leading venue for training, education and networking among legislative program evaluation staff.

After reviewing other states' statutes, office structures, and practices, NCSL makes the following recommendations to the Government Performance Audit Committee and the General Assembly of North Carolina.

Recommendation 1. The North Carolina General Assembly should establish a permanent legislative program evaluation office.

Recommendation 2. A General Assembly program evaluation office should be a separate staff organization under the direction of the Legislative Services Commission.

Recommendation 3. The General Assembly should create a joint, bipartisan committee, possibly identified as the Evaluation Oversight Committee, to direct and oversee a legislative program evaluation office.

Recommendation 4. The General Assembly should enact a comprehensive enabling statute for the effective functioning of the Evaluation Oversight Committee and the program evaluation office.

Recommendation 5. Under the general direction of the Evaluation Oversight Committee, the program evaluation office should conduct its work in an objective, professional, nonpartisan fashion.

Recommendation 6. The director of the program evaluation office should have the powers necessary to carry out the mission of the office.

Establishing a Program Evaluation Office Recommendations to the North Carolina General Assembly

Introduction and Study Methodology

At the request of the Government Performance Audit Committee (GPAC) of the North Carolina General Assembly, in January 2007 the National Conference of State Legislatures submitted a proposal to study the feasibility of establishing a program evaluation unit for the North Carolina General Assembly.

The proposal noted that 45 state legislatures have established specialized program evaluation offices to help legislators meet their critical oversight responsibilities. These offices provide a variety of products and services to lawmakers that help them determine whether state agencies are following legislative intent, are well managed and effective, and whether policy alternatives might improve state services and efficiency.

The North Carolina General Assembly's experience with program evaluation has been limited. In its 1991 session, the General Assembly directed the Legislative Services Commission (LSC) to contract for a performance audit of the executive branch of state government (including its departments, agencies and institutions) and of the staff of the legislative branch. Specifically, LSC was charged with undertaking an audit for the purpose of determining the economy, efficiency, and effectiveness of government organizations, programs, activities, and functions, in addition to their compliance with laws and regulations. The results of the audit were reported to the General Assembly in 1993.

By 2006, growth in the state's economy and changes in state government's budget expenditures and operations prompted the General Assembly to authorize another performance audit. In *The Studies Act of 2006*, the North Carolina General Assembly delegated responsibility for conducting a second audit to the GPAC, a joint committee of the General Assembly. In December, 2006, GPAC engaged Turcotte Public Administration Consulting and Training, LLC (TPACT) to organize and direct the initial phase of the audit. The project has proceeded with requests for proposals for a number of audits of state government activities. In the course of its work, GPAC asked the National Conference of State Legislatures (NCSL) to submit a proposal to study the feasibility of establishing a program evaluation office in the General Assembly.

NCSL is well suited to provide advice on the issue. NCSL has been a resource for information about the program evaluation movement for many years. It provides a central resource for information sharing about program evaluation office structure, practice, training and innovation. NCSL also provides resources and staff support to the National Legislative Program Evaluation Society (NLPES), a 50-state network and professional association of legislative staff who specialize in legislative program evaluation. NLPES is the nation's leading organization for training, education and networking among legislative program evaluation staff.

NCSL assigned four senior staff to the project:

- Bob Boerner served as principal researcher and writer. He is a program principal in the NCSL Legislative Information Services Program, and has been a member of the NCSL staff since 1994. He is NCSL staff liaison to the National Legislative Program Evaluation Society, and is an authority on the responsibilities and functions of legislative program and performance evaluation offices. He has conducted a sunset review of the Arizona Office of the Auditor General, a review of how reports of the Florida Office of Program Policy Analysis and Governmental Accountability are used by key stakeholders, and supervises NCSL's program to facilitate peer reviews of legislative program evaluation offices.
- Ron Snell, project director, is director of the State Services Division at NCSL, which includes NCSL's principal state legislative support programs that provide research and technical assistance to legislatures as well as training sessions for legislators and staff. He has been a member of the NCSL staff since 1988, and previously was on the fiscal staff of the Oklahoma House of Representatives. He has published numerous articles and papers on state fiscal affairs and budget processes in state legislatures, and tracks state public retirement system policy.
- Tim Storey is a senior fellow with NCSL's Legislative Management Program and serves as NCSL's liaison to the North Carolina General Assembly. He has been a member of the NCSL staff since 1989. He provides consulting services on a wide range of topics including management, staff organization and staff compensation. He has conducted studies in numerous state legislatures, including recent studies of the reorganization of the Maine legislative staff and a compensation study for the Washington State Legislature.
- Judy Zelio is a program director with the NCSL Fiscal Affairs Program, where she has worked since 1988. She specializes in state tax and budget issues, with a focus on performance budgeting. She has worked on NCSL studies of legislative policies and procedures in several states, and has provided direct technical assistance on legislating for results and performance budgeting to legislatures in North Dakota, New Mexico, Maryland, Hawaii, Georgia, Oregon, Utah and Washington in collaboration with the Urban Institute and state legislative staff.

The NSCL study team proposed the following study methodology:

1. Conduct an initial needs assessment and project scope analysis by NCSL study team members.
2. Complete on-site interviews with key stakeholders and knowledgeable observers.
3. Assess current staffing patterns at the North Carolina General Assembly, legislative processes and other features of legislative practice and culture to determine

- appropriate positioning, size, oversight, tasks, and responsibilities for a legislative program evaluation office.
4. Report on other states' legislative program evaluation offices and operations, and determine appropriate models for North Carolina.
 5. Review state statutes that establish legislative program evaluation offices to suggest model language for drafting North Carolina legislation.
 6. Consult an expert review group of program evaluation professionals who will comment on study methods, issues and recommendations.
 7. Maintain regular contact with appropriate North Carolina legislators and staff to ensure that the study remains on target and relevant to the needs of the General Assembly.
 8. Deliver a final report in mid-April 2007.

To carry out the project, the NSCL study team conducted an initial needs assessment and project scope analysis.

Two of the NCSL team members interviewed North Carolina legislators and legislative staff, including the Speaker, the Senate President's lead legislative staff, GPAC chairs, a number of additional legislators and the State Auditor in Raleigh on February 5 and 6. The interviews were beneficial in broadening the NCSL study team's understanding of the General Assembly and the potential role of a program evaluation office.

The NCSL team conducted a detailed analysis of the structure of legislative program evaluation offices and their enabling statutes for the states that are in the team's judgment most applicable to the needs of the North Carolina General Assembly. The goal of this work was to produce a list of provisions that should be included in the North Carolina statutes for the best functioning of such an office, and to provide examples of statutory language that could be used as a model for a North Carolina law.

The review group envisioned in the study methodology consisted of Beth L. Aschcroft, Director, Office of Program Evaluation and Government Accountability, Maine; Bill Thompson, Deputy Auditor General, Office of the Auditor General, Arizona; and Gary VanLandingham, Director, Office of Program Policy Analysis and Government Accountability, Florida. Together, they provide more than 50 years of program evaluation work history in a variety of offices. Because it was not possible to find a date to convene the review group in person in Denver, the NCSL team distributed a list of discussion questions to the review group. Their responses were discussed in detail in a conference call with them on March 23.

The NCSL team maintained regular contact with appropriate North Carolina legislators and staff to ensure that the study remained on target and relevant to the needs of the General Assembly.

Recommendations

As requested by the Government Performance Audit Committee (GPAC), the NCSL team reports the following recommendations. Most of the recommendations are immediately followed by points lettered A, B, C and so forth, to provide additional details of the main recommendation. Each recommendation is followed by discussion. As needed, the discussion is broken into sections lettered to correspond to the points listed under the main recommendation. Not every point has a corresponding discussion.

The appendices to this report contain examples of legislation to show how other states have expressed in statute or rule the kinds of recommendations made in this report. The appendices are keyed to the recommendations that follow.

Recommendation 1. The North Carolina General Assembly should establish a permanent legislative program evaluation office.

Discussion

Among the many roles that state legislatures play—debating public policy, enacting laws, and appropriating funds—is the fundamental responsibility to oversee government operations and ensure that public services are delivered to citizens in an effective and efficient manner. This accountability role is a critical part of our constitutional system of separation of powers and is essential to ensuring the trust that citizens place in government.

To help meet this oversight responsibility, most state legislatures have created specialized offices that conduct research studies and evaluate state government policies and programs. These studies—variously called program evaluations, policy analyses, and performance audits—address whether agencies are properly managing public programs and identify ways to improve these programs. Similar offices in legislatures around the country serve a vital function and significantly bolster the ability of the legislature to do independent oversight of the other branches of government and determine if legislative programmatic priorities are being adequately fulfilled.

A legislative program evaluation office provides a legislature an independent, objective source of information. Most, if not almost all, parties presenting information to a legislature have a vested interest in the information. This includes executive branch agencies, citizens' groups and lobbyists. A legislative program evaluation office can provide objective information without having a position on outcomes from the use of that information. It also allows a legislature to ensure that it can obtain the information it needs without being dependent on the executive branch to provide it.

Forty-five states, including all of the other large states, have established legislative program evaluation offices. Half the offices have existed for at least 25 years, and some for more than 50 years. More recently, the Maine Legislature created an entirely new program evaluation office in 2003. The Nebraska Legislature restructured its legislative audit staff to create the Office of Legislative Audit and Review in 2006. The missions of program evaluation offices include:

- Recommending improvements in agency and program operations.
- Determining whether public entities are making wise use of resources.
- Maintaining effective oversight of state operations,
- Promoting government accountability.
- Ensuring that legislative intent is followed.

Based on their on-site interviews with key stakeholders and knowledgeable observers, the NCSL study team concluded that the North Carolina General Assembly would benefit from an office that provides additional legislative oversight, in-depth information and institutional memory. A legislative program evaluation office would provide these functions:

- Help the General Assembly maintain the appropriate separation of governmental powers. Just as a legislature needs the ability to perform its own budget analyses, it needs the ability to perform its own evaluations with a staff that is professionally committed to meeting the needs of the legislature.
- Determine whether executive branch agencies have implemented policies as the legislature intended. A program evaluation office would provide follow-up evaluation to help avoid the need for full audits in the future. The staff can provide information to the legislature on whether state programs are having the intended outcomes.
- Meet the information needs of the legislature and support legislative policymaking, budgeting and oversight. A program evaluation office takes a long-term view rather than researching the immediate needs of proposed legislation on the legislative agenda.

Recommendation 2. A General Assembly program evaluation office should be a separate staff organization under the direction of the Legislative Services Commission.

- A. The director of the program evaluation office should be appointed by the Legislative Services Commission and should report to the Legislative Services Officer.
- B. The Legislative Services Officer should provide administrative oversight and support to the program evaluation office as that officer does to existing legislative staff agencies.

Discussion

2A. NCSL recommends that a separate program evaluation office be created under the umbrella of the Legislative Services Commission. The work of a legislative program evaluation office is qualitatively different from that of the agencies currently under the direction of the Legislative Services Commission. A program evaluation office would focus on performance and effectiveness of state agencies and programs over the long term rather than the current work of the General Assembly. Offering this specialized type of work is a widespread state practice, and the usual practice of legislatures (and in the opinion of the NCSL study team, the best practice) is to recognize the specialized nature of the work by establishing a separate legislative agency to carry it out.

The administrative placement of program evaluation offices in legislatures varies across the nation. The structure recommended here can be found in states where nonpartisan staff are placed under the direction of a legislative council or legislative commission, as they are in Nevada and Wyoming, for example.

2B. The current structure of legislative staff offices within the Legislative Services Commission offers a flexible, efficient arrangement that demonstrably meets the needs of the General Assembly and its staff. The NCSL team recommends that, for the purposes of administrative control and support of the legislative program evaluation office, it be constituted and administered in a fashion similar to that of the existing staff agencies of the Legislative Services Commission.

Recommendation 3. The General Assembly should create a joint, bipartisan committee, possibly identified as the Evaluation Oversight Committee, to direct and oversee a legislative program evaluation office.

- A. The committee should be relatively small, comprising no more than eight or 10 members, in order to allow the selection of suitable members able to commit necessary time and focus to the committee.
- B. Half the members should be appointed by the President Pro Tempore of the Senate and half appointed by the Speaker of the House of Representatives. The committee should include members from both major political parties in the General Assembly.
- C. The committee should have co-chairs appointed by their respective chamber leaders.
- D. It is desirable that committee membership overlap with that of the two chambers' Appropriations committees because legislative experience in other states indicates that many issues addressed by a program evaluation office will be of direct concern to the appropriations committees.

Discussion

3A. Oversight committee membership varies from eight members in Colorado to 16 members in Utah and Washington State. Most states have between 10 and 14 members. An evaluation oversight committee that is composed of interested members will actively engage in its oversight responsibilities. Arizona, for instance, specifically indicates that selection of members of the audit committee should be based on their understanding and interest in legislative oversight functions.

3B. Similar committees in other states include membership from both chambers and from both major parties, resulting in joint, bipartisan representation. The precise method of choosing the members varies among the states.

- Some states, for example, Colorado, Maine, and Washington, require that the two presiding officers appoint even numbers from the majority and minority parties in each chamber.
- Other states, like Connecticut and Minnesota, require both majority and minority leadership to appoint equal numbers from each chamber.
- A third approach is found in Kansas, where majority and minority leadership appoint members from each chamber in numbers that give an advantage to the majority.
- Regardless of the specific size and composition of the Evaluation Oversight Committee, the most important point is that the committee members be closely associated with the leaders of their houses. It is essential for the committee members to have the confidence and attention of their presiding officers, if the work of the committee and the program evaluation staff is to reflect the concerns, and enjoy the confidence, of the General Assembly.

3C. Presiding officers are responsible for choosing committee chairs in Arizona and Wisconsin, the practice NCSL recommends to the North Carolina General Assembly. A variation can be found in Maine, where the first senator and the first representative appointed to the committee by the Senate President and Speaker of the House are the designated co-chairs. Some states take a different approach, allowing the committee members themselves to select the committee chairs, co-chairs and vice chairs. This is the practice in California, Colorado, Connecticut, Florida, Kansas, and Mississippi, for example.

3D. Experienced evaluators recommend that a separate committee dedicated to audit oversight should have overlapping membership with the budget committee or committees to help coordinate the efforts and interests of the two committees. A potential benefit of such an arrangement is that budget committee members familiar with audit processes and recommendations may speak on behalf of them in the budget process and improve the information available to both.

- In Arizona, not only do the Senate President and the Speaker appoint both majority and minority committee members, choose the chairs, and provide that at least two members are members of the appropriations committee, but they also serve as ex officio members

of the oversight committee themselves. A similar emphasis applies in Wisconsin and Virginia. Wisconsin's majority leadership selects the committee co-chairs and includes the co-chairs of the joint finance committee in the oversight committee membership. Virginia's majority leadership, which appoints the oversight committee members, includes two finance and five appropriations committee members among the 14 appointments. The auditor of public accounts is an ex officio member of the committee.

Recommendation 4. The General Assembly should enact a comprehensive enabling statute including the following components for the effective functioning of the Evaluation Oversight Committee and the program evaluation office. (Examples of state legislative performance evaluation statutes are attached to this report as appendices.)

- A. The General Assembly should statutorily establish a joint Evaluation Oversight Committee (EOC) with membership as described in Recommendation 2 and with the powers listed below.
- B. The statute should direct the EOC to set priorities for the work of the unit and to adopt an annual or biennial workplan to guide the staff of the office concerning the studies the staff is to undertake.
- C. The statute should provide that any bill or amendment that would amend the work plan adopted by the EOC, or direct the EOC to undertake a particular study topic, could not be considered by any committee of either house of the General Assembly until the bill or amendment was referred to the EOC. The EOC should review any bill or amendment and submit a written report to the committee or the house of the General Assembly that had proposed the amendment or bill. The report should review:
 - The feasibility of the proposal contained in the amendment or bill;
 - Whether the subject of the proposal had previously been included in the existing workplan;
 - Whether other studies of the same agency or program have been conducted recently by the EOC or another state agency;
 - The effect the proposal will have on the committee's work as otherwise planned; and
 - The significance of the proposal compared with the other work the committee had planned or undertaken.

- D. The committee should receive and review reports completed by the performance evaluation office and hold hearings on them as the committee may direct.
- E. The committee may recommend reports to the attention of other standing committees of the General Assembly.
- F. The committee should have the power to file legislation to implement recommendations in reports.
- G. The committee should have the power to require the office to complete follow-up program evaluations or studies.
- H. The statute should require all state officials and agencies to cooperate with the work of the legislative program evaluation office as requested by the office.
- I. The statute should empower the committee to examine witnesses, require the appearance of any person and the production of papers or records, including books, accounts, documents, electronic records and other materials, and to order the appearance of any person for the purpose of producing papers or records, including books, accounts, documents, electronic records and other materials.
- J. The statute should require the staff of the office should maintain the confidentiality of any materials submitted to it by another entity to the extent that confidentiality is otherwise protected by law. (See also Recommendation 5C.)
- K. The committee should have the authority to issue subpoenas upon the signatures of the co-chairs of the committee.
- L. The committee should have the power to contract with private individuals or entities for the conduct of program evaluations or portions thereof.

Discussion

4A. Statutory establishment of evaluation offices is common among the states; many examples appear in the appendices to this report. Statutory authority would emphasize the importance the General Assembly places upon the work of the Evaluation Oversight Committee and the program evaluation office, and state with clarity its power to evaluate executive branch agencies and programs. A statute would demonstrate that the General Assembly is committed to oversight as a continuing legislative activity.

4B. Legislatures generally establish procedures by law or rule that provide for an annual work plan for the legislative program evaluation office. It serves as business plan for the evaluation office. The plan is often drafted by the evaluation office in consultation with the evaluation oversight committee.

- California Legislature Joint Rule 37.4 provides, “ ... the Joint Legislative Audit committee shall establish priorities and assign all work done by the Bureau of State Audits.”

4C. Control of the workplan of the program evaluation office is an important issue because legislatures tend to generate more demand for studies and evaluations than their staffs can manage. Staff directors in a number of states have pointed to the difficulties of workload management and scheduling that result when legislators other than their supervisory committee can require studies from them. Legislatures have developed various means to address the issue. One example appears in the California Legislature's joint rule referred to just above.

Another means of control can be found in the Minnesota Legislature. Its Legislative Audit Commission requires the auditor to estimate the scope and time requirements of any evaluation that a legislator recommends. The auditor reports the estimates to the legislator who submitted the suggestion and to the Minnesota Legislative Audit Commission. The commission must determine within 60 days of receiving the estimate whether to proceed with the suggested evaluation and must convey its decision to the legislator along with the reasons for its decision.

The recommendation here goes beyond the Minnesota requirements to include legislation that may require a program evaluation study. The intent of these recommendations is to strengthen the oversight committee's control of the program evaluation office's workplan. Nothing would prevent the oversight committee from amending its workplan to add a new proposal, nor would the General Assembly's power to require a study be in any way diminished. The recommendations are intended to ensure that all projects for the office are reviewed in the context of the priorities that the oversight committee has already established.

4D. The general practice among legislative program evaluation offices is to take several steps to alert their legislatures and the public to their reports. Most offices provide copies of their reports to legislative committees as well as individual legislators. The offices also frequently provide briefings to legislators, legislative staff, and committees. Offices also generally provide recommendations for legislative action and identify specific sections of statutes that are affected by the recommendations.

- Many legislative program evaluation offices have been granted the authority to release reports themselves rather than through the oversight committee. Though respecting this practice, the NCSL recommendation for the General Assembly is that the oversight committee initially receive and accept reports before they are released.
- By law, reports are not released to the public by the Washington Joint Legislative Audit and Review Committee staff until after the reports have been presented to the committee. However, Maine law requires the reports to be released to the Government Oversight Committee at a public meeting. This assures the report is released to the committee and the public simultaneously. In Wisconsin, reports are presented at public hearings.

4E. Referring reports from the evaluation or audit committee to other standing committees is the practice in a few states, including Utah, where the Audit Subcommittee of the Legislative

Management Committee hears all audit reports and refers those reports to other legislative committees for their further review and action as appropriate. Similarly, in Wisconsin the joint legislative audit committee may refer to the legislature or to appropriate standing committee information that in its opinion warrants action by the legislature or by the committee. The joint legislative audit committee may ask a standing committee for information on the action the committee takes.

4F. Connecticut law provides that the Legislative Program Review and Investigations Committee shall “originate, and report to the General Assembly, any bill it deems necessary concerning a program, department or other matter under review or investigation by the committee.”

4G. Maine, Michigan, Mississippi, Washington and several other states require follow-up legislative program evaluations or studies. The goal of these is to identify whether previously identified recommendations for improvements were implemented, and to document agency implementation of legislative program evaluation office recommendations.

- The Mississippi PEER Committee has a policy of following up on reports six months after the reports’ official release. On a few occasions, the PEER Committee has conducted six-, 12- and 18-month follow-ups on some agencies because the committee did not believe that the agency had taken positive steps to implement the committee’s recommendations.
- The Kansas Legislative Division of Post Audit issues annual follow-up reports on the previous year’s recommendations.
- Virginia’s Joint Legislative Audit and Review Commission is required to prepare supplementary reviews and reports.

4H. Arizona statutes require state agencies to comply with findings and directions of the committee.

4I. Nearly every state legislative program evaluation office has generally unrestricted access to state and local records, including records deemed confidential by state and federal laws. Such access is essential to the work of the office. Such access requires that the office maintain a very high standard of confidentiality as set out in points 4. J. above and 5.C below.

- Florida statutes provide that the Florida Office of Program Policy Analysis and Government Accountability has access to all state records, with a few exceptions such as trade secrets. The law also provides that it is a second degree misdemeanor for agencies to fail to provide requested records.

4K. Legislative committees in a number of the states have subpoena power to require the appearance of persons or the production of records in pursuit of information needed for valid legislative purposes of law making and appropriation of public funds. Federal courts have upheld the power of state legislatures to conduct investigations and to do so with immunity as long as the investigations are for a valid legislative purpose.

4L. Florida law requires the Legislative Auditing Committee to create and maintain a list of not less than 10 independent contract auditors approved to conduct the required audits. Idaho law grants the Joint Legislative Oversight Committee the power to “contract with private individuals or entities for the conduct of performance evaluations or portions thereof.” Washington law states, “[t]he performance audit work plan and the overall work plan may include proposals to employ contract resources.”

Recommendation 5. Under the general direction of the Evaluation Oversight Committee, the legislative program evaluation office should conduct its work in an objective, professional, nonpartisan fashion.

- A. The office should examine the operations of state programs to ascertain whether state resources are being used responsibly, efficiently, effectively and in accordance with law and legislative intent.
- B. The office should make recommendations for improvements in the operations of the agencies and programs it evaluates.
- C. Evaluations and all office operations should be conducted in a fashion that complies with national standards of professionalism and practice for such offices. The office should periodically request the review of its peers in other states for the purpose of reviewing internal standards of practice and performance.

Discussion

5A. A permanent legislative program evaluation office will provide the General Assembly information about the economy, efficiency, and effectiveness of state programs from a staff responsible only to the General Assembly, on the General Assembly’s schedule, and in a format specified by the General Assembly. The office may provide the information in a variety of formats including studies of large programs, studies of small to medium programs or rapid response reviews (or short-term reviews).

5B. The mission statements adopted by legislative program evaluation offices throughout the nation usually require the office to make recommendations for improvements in agency and program operations.

- For example, the Arizona Office of the Auditor General says the office will provide specific recommendations and ascertain whether public entities are making wise use of resources.
- The mission statement of the Utah Office of the Legislative Auditor General requires the office to examine operations of state programs, review and evaluate programs, see how they are implemented, test whether they are operated at the lowest possible cost, evaluate

whether they are successfully attacking the problems that led to their creation, offer legislators information and feedback on efficiency, effectiveness and compliance, evaluate strengths and weaknesses of management control systems, suggest ways to improve operation, and result in more efficient and effective use of taxpayer resources.

5C. The general practice among legislative program evaluation offices is to adopt professional standards to guide their research activities. Almost two-thirds of the legislative offices have adopted Government Auditing Standards (known as the Yellow Book), which is disseminated by the U.S. General Accountability Office.

Other offices have adopted *The Program Evaluation Standards* (known as the Red Book) issued by the Joint Committee on Standards for Educational Evaluation, or the *Guiding Principles* issued by the American Evaluation Association. Still other legislative offices follow standards issued by the American Institute of Certified Public Accountants, the Institute of Internal Auditors, or statutory review criteria.

- As part of the professional standard any legislative program evaluation office is expected to meet, offices must keep all work papers confidential and secure. Legislative offices take precautions against loss or destruction of work papers. All work papers are protected from access of unauthorized persons unless subpoenaed by a court. For example, Nevada law provides that “All working papers from an audit are confidential and may be destroyed by the legislative auditor five years after the report is issued....” Maine law states “Except as provided in this subsection, audit working papers are confidential and may not be disclosed to any person.”
- Legislative practice is to select evaluators on a nonpartisan basis and to designate them as nonpartisan staff. Political party membership or affiliation or independent registration is seldom a factor in employment, retention or promotion of evaluators or their directors in legislative program evaluation offices.
- Research standards vary somewhat by individual state legislative program evaluation office, but all require the offices to maintain personal and professional objectivity in their work, to carefully plan and implement their evaluation studies, to ensure that all reported results are accurate and supported by research findings, and to write and disseminate reports that can be readily understood and used by state legislators and other users.
- Offices that follow the Government Auditing Standards must periodically undergo a peer review to assess compliance with the standards. Many legislative program evaluation offices use the National State Auditors Association to conduct the review. The National State Auditors Association is an associate of the National Association of State Auditors, Comptrollers and Treasurers. The remaining offices receive their peer reviews through the National Conference of State Legislatures or other entities.

Recommendation 6. The director of the legislative program evaluation office should have the powers necessary to carry out the mission of the office.

- A. The director should have the usual and necessary authority of a legislative staff director to hire and supervise staff, recommend and implement a budget and direct the staff of the legislative performance evaluation office in their duties to carry out the work of the office.
- B. The director should advise the Evaluation Oversight Committee on the development of priorities for the office and the adopted workplan.
- C. The director should report the completed work of the office to the Evaluation Oversight Committee before it is released in any other fashion.
- D. The director should at his or her discretion recommend to the Evaluation Oversight Committee the desirability of contracting with private individuals or entities for program evaluations or portions thereof.
- E. The director should be responsible for creating an initial office staff including from six to eight people including the director, evaluators, and support staff.

Discussion

6A. The intent of this recommendation is that the director of the proposed program evaluation office possess administrative and supervisory authority similar to that of the directors of the Fiscal Research Division, the Research Division, and the other divisions of the Legislative Services Commission of the General Assembly.

6B. The NCSL staff recommend that the office's workplan be established by the oversight committee, as specified in Recommendation 4, with the advice of the director of the office.

- For example, the Minnesota Legislative Audit Commission periodically selects topics for the Legislative Auditor to evaluate. Topics may include any agency, program, or activity established by law to achieve a state purpose, or any topic that affects the operation of state government. However, the Minnesota Legislative Audit Commission is to give primary consideration to topics that are likely to produce recommendations for cost savings, increased productivity, or the elimination of duplication among public agencies. Legislators and legislative committees may suggest topics for evaluation, but the Legislative Auditor is only to conduct evaluations approved by the Minnesota Legislative Audit Commission.

Legislatures and legislative program evaluation offices also use other methods to set agendas.

- Statutes may require a program evaluation on a regular schedule, or at a specific point in time.
- A legislative program evaluation office may undertake program evaluations requested by legislators. This is the source of most Wisconsin Legislative Audit Bureau evaluations. The Minnesota Legislative Audit Commission directs the Legislative Auditor, in response to a suggestion from an individual legislator of an evaluation topic, to estimate the scope of the proposed evaluation and the time required to complete it. The estimate must be reported to the legislator who submitted the suggestion and to the Minnesota Legislative Audit Commission. The commission must determine within 60 days of receiving the estimate whether to proceed with the suggested evaluation and must convey its decision to the legislator along with the reasons for its decision.
- Evaluations may be completed because of conditions placed upon public or private agencies that grant funds.
- A legislative program evaluation director may be given explicit authority in statute to initiate evaluations when he or she deems it advisable.
- Evaluations may be completed upon the request of the governor or executive agency or at citizens' requests.

6C. The release of reports is discussed in connection with Recommendation 4D, above.

6D. Contractual authority, under the control of the committee, is included to allow the Evaluation Oversight Committee to contract for audits as the Government Performance Audit Committee does, in case it should desire an audit requiring more staff resources or different research skills than its staff can provide.

6E. Besides budgetary considerations, the initial size of the staff will be governed by a consideration of the desirability of beginning the office with enough staff to demonstrate to the General Assembly the contribution the office can make to the work of the General Assembly, and consideration of the time and training needed for the initial staff to establish a foothold and move toward an effective operation.

NCSL would recommend taking one of the two options presented below to create an effective program evaluation office. These recommendations on staff size include a potential number of reports that it would be reasonable to expect the office to produce after it has been staffed to the specified level and provided initial training.

	Option 1	Option 2
Employees		
Director	1	1
Principal Evaluator - Attorney	3	6
Evaluator	1	1
Senior Legislative Researcher	1	1
Clerk	1	1

	Option 1	Option 2
Total Employees	7	10
Activities and Services		
Evaluations of Large Programs	1	2
Evaluations of Small to Medium Programs	2	4
Rapid Response Reviews	4	6
Annual Report	1	1
Total Projects	8	13
Based upon "Start-up of the Maine Joint Legislative Oversight Committee and the Program evaluation office and Government Accountability," MGT of America, Tallahassee, Florida, November 2003.		

The options provide staff sizes that legislative program evaluation office directors in other states have indicated to be desirable. The average office nationally has 19 staff. The median is 14, which means that half the offices have fewer than 14 staff and half of them have more than 14 staff.

Considerations of initial searches, hiring and training probably make it impractical to try to initiate the office with 14 staff. The newest legislative program evaluation office, that in the Maine Legislature, began its work in 2005 with seven staff. Training was a major activity for the first year of that office's operations.

Based on the typical production by comparable offices in other legislatures, NCSL believes a realistic output for a new office in its first year will be limited to a smaller number of focused projects. It should be considered that too large an initial staff, or too rapid an expansion of staff, can be counter-productive because of the need to train staff and develop internal processes. Other states report that gradually building the staff over the course of several years is the productive approach.

Appendix 1

Recommendation 1

Appendix 1 provides summaries of various legislative program evaluation office mission statements relevant to recommendation 1.

Recommendation 1: The North Carolina General Assembly should establish a permanent legislative program evaluation office.

Arizona Office of the Auditor General

The missions of the office include:

- To be independent
- To be impartial
- To provide specific recommendations
- To ascertain whether public entities are making wise use of resources

Florida Office of Program Policy Analysis and Government Accountability

The missions of the office include:

- Provide evaluative research
- Provide objective analyses
- Promote government accountability
- Promote efficient and effective use of public resources

Kansas Legislative Post Audit Committee

46-1108. Performance audits; additional fiscal audits; purposes of audits

The legislative post audit committee may direct that any such additional audits shall be conducted to determine:

- (a) Whether any state agency is carrying out only those activities or programs authorized by the legislature; or
- (b) whether the programs and activities of a state agency, or a particular program or activity, is being efficiently and effectively operated; or
- (c) whether any new activity or program is being efficiently and effectively implemented in accordance with the intent of the legislature; or
- (d) whether there is a need for change in any authorized activity or program of a state agency; or
- (e) whether any reorganization of a state agency, or group of state agencies, is needed or justified to accomplish the results of programs or activities authorized by the legislature; or
- (f) any combination of the purposes specified in this or any other section of the legislative post audit act.

Utah Office of the Legislative Auditor General

The missions of the office include:

- Examine operations of state programs
- Review and evaluate programs
- See how programs are implemented
- Test whether programs are operated at lowest possible cost
- Evaluate if successfully attacking problems that led to their creation
- Offer legislators information and feedback on efficiency, effectiveness, compliance
- Evaluate strengths and weaknesses of management control systems
- Suggest ways to improve operations
- Provide more efficient and effective use of taxpayer resources

Wyoming Legislative Services Office Program Evaluation Staff Goals

The goal of program evaluation is to provide the Legislature useful, objective, and timely information about the extent to which desired program results are being achieved. This information is intended to facilitate legislative and executive actions to improve state government and make possible the consideration of policy alternatives to current programs.

Appendix 2

Recommendation 2

Appendix 2 provides statutory citations and language relevant to recommendation 2. The citations and language correspond to the main theme of the recommendation. Not every point in the recommendation has a corresponding citation or language.

Recommendation 2. A General Assembly program evaluation office should be a separate staff organization under the direction of the Legislative Services Commission.

Nevada

NRS 218.620 Creation and composition; Director and Deputy Director; Divisions and Chiefs

1. There is hereby created the Legislative Counsel Bureau, which consists of a Legislative Commission, an Interim Finance Committee, a Director, an Audit Division, a Fiscal Analysis Division, a Legal Division, a Research Division and an Administrative Division.
2. The Legislative Auditor is Chief of the Audit Division. The Legislative Counsel is Chief of the Legal Division. The Research Director is Chief of the Research Division. The Director shall designate from time to time one of the fiscal analysts to be responsible for the administration of the Fiscal Analysis Division.
3. The Legislative Commission shall appoint the Director. The Director shall appoint the fiscal analysts and the Chiefs of the other Divisions with the approval of the Legislative Commission, and may serve as the chief of any division.

Wyoming

28-8-101 Creation; composition.

There is created the legislative service office within the legislative branch of government hereinafter referred to as the "office". The office shall be composed of the services division and the audit division.

28-8-103. Director and staff.

The management council [the legislative committee that oversees the legislative service office] shall appoint by majority vote a director of the office. The director, subject to the prior approval of the management council, shall appoint an assistant director of legislative services and an assistant director of audit services. The director shall appoint such additional professional, technical and clerical staff as necessary to perform the functions assigned to the office. The director and staff shall be selected without reference to political affiliation and shall serve at the pleasure of the appointing authority. They shall be paid salaries and receive necessary expenses as determined by the management council.

Appendix 3

Recommendation 3

Appendix 3 provides statutory citations and language relevant to recommendation 3. The statutory citations and language correspond to the main theme of the recommendation. Not every point in the recommendation has a corresponding cite and language.

Recommendation 3. The General Assembly should create a joint, bipartisan committee, possibly identified as the Evaluation Oversight Committee, to direct and oversee a legislative program evaluation office.

Recommendation 3A. The committee should be relatively small, comprising no more than eight or 10 members, in order to allow the selection of suitable members able to commit necessary time and focus to the committee.

Recommendation 3B. Half the members should be appointed by the President Pro Tempore of the Senate and half appointed by the Speaker of the House of Representatives. The committee should include members from both major political parties in the General Assembly.

Arizona

41-1279 Joint legislative audit committee

A. The joint legislative audit committee is established consisting of five members of the senate appointed by the president of the senate, one of whom shall be a member of the senate appropriations committee, and five members of the house of representatives appointed by the speaker of the house of representatives, one of whom shall be a member of the house of representatives appropriations committee. Selection of members shall be based on their understanding and interest in legislative audit oversight functions. Not more than three appointees of each house shall be of the same political party.

Colorado

2-3-101 Legislative audit committee

(1) There is hereby created a legislative audit committee, hereinafter referred to as the “committee”. The membership of the committee shall consist of four senators, two from each major political party, to be appointed by the president of the senate with the approval of a majority of the members elected to the senate and four representatives, two from each major political party, to be appointed by the speaker of the house of representatives with the approval of a majority of the members elected to the house of representatives. Appointments to the committee shall be made no later than sixty days after the convening of the first regular session of the general assembly held in each odd-numbered year..

Connecticut

Sec. 2-53e. Legislative Program Review and Investigations Committee.

There is hereby created a Legislative Program Review and Investigations Committee which shall be a permanent standing committee of the General Assembly, consisting of six members of the Senate, three appointed by the president pro tempore and three appointed by the minority leader, and six members of the House of Representatives, three appointed by the speaker of the House and three appointed by the minority leader. Members shall serve for a term of two years from date of appointment. The appointments shall be made at the beginning of each regular session of the General Assembly in the odd-numbered year. The terms of all members appointed to the committee shall end with the termination of each member's term or holding of office, whichever occurs first.

Maine

Joint Rule 371: Government Oversight Committee

The Government Oversight Committee, referred to in this Rule as “the committee,” is established. The committee consists of six members of the Senate and six members of the House of Representatives and must be evenly divided between the two largest political parties represented in each chamber. The President of the Senate shall appoint six Senators, three from the political party holding the majority of seats in the Senate and three from the political party holding the majority of the remainder of the seats in the Senate. The first-named Senator is the Senate chair. The Speaker shall appoint six members, three from the political party holding the majority of seats in the House and three from the political party holding the majority of the remainder of the seats in the House. The first-named member of the House is the House chair.

Recommendation 3C. The committee should have co-chairs appointed by their respective chamber leaders.

Arizona

41-1279 Joint legislative audit committee

The president and the speaker shall designate one of their appointed members as chairman of their respective delegation. The chairman of the audit committee shall serve for the term of each legislature. The chairmanship of the audit committee shall alternate between the chairman of the senate delegation and the chairman of the house of representatives delegation beginning with the chairman of the senate delegation. The president of the senate and the speaker of the house of representatives shall also serve as ex officio members of the committee.

Wisconsin

13.53(1) Creation

There is created a joint legislative audit committee consisting of the cochairpersons of the joint committee on finance, 2 other majority and 2 minority party senators and 2 other majority and 2 minority party representatives to the assembly, appointed as are the members of standing committees in their respective houses. In making appointments of the members from each house other than the cochairpersons of the joint committee on finance, each house shall designate a cochairperson.

Recommendation 3D. It is desirable that committee membership overlap with that of the two chambers’ Appropriations committees because legislative experience in other states indicates that many issues addressed by a program evaluation office will be of direct concern to the appropriations committees.

Virginia

30-56 Joint Legislative Audit and Review Commission; composition.

There is hereby created the Joint Legislative Audit and Review Commission in the legislative branch of state government. The Commission shall consist of nine members of the House of Delegates appointed by the Speaker thereof, of whom at least five shall be members of the House Committee on Appropriations, and five members from the Senate appointed by the Rules Committee of the Senate, of whom at least two shall be members of the Senate Committee on Finance, and the Auditor of

Public Accounts, who shall serve as a nonvoting ex officio member. Members shall serve terms coincident with their terms of office. Members may be reappointed for successive terms.

Note: See also the material on Arizona and Wisconsin above.

Appendix 4

Recommendation 4

Appendix 4 provides statutory citations and language relevant to recommendation 4. As needed, the citations and language are lettered to correspond to the points listed under the recommendation. Not every point has a corresponding statutory cite and language.

Recommendation 4. The General Assembly should enact a comprehensive enabling statute for the effective functioning of the Evaluation Oversight Committee and the program evaluation office.

Recommendation 4B. The committee should set priorities for the work of the unit and adopt an annual workplan to guide the staff of the office.

Maine

Title 3, Chapter 37, Section 994 Duties of Committee

The committee has the following duties: 2. Annual work plan. To review and approve the annual work plan of the office.

Minnesota

3.97 Subdivision 3A Evaluation topics

The Minnesota Legislative Audit Commission periodically selects topics for the Legislative Auditor to evaluate. Topics may include any agency, program, or activity established by law to achieve a state purpose, or any topic that affects the operation of state government. However, the Minnesota Legislative Audit Commission is to give primary consideration to topics that are likely to produce recommendations for cost savings, increased productivity, or the elimination of duplication among public agencies. Legislators and legislative committees may suggest topics for evaluation, but the Legislative Auditor is only to conduct evaluations approved by the Minnesota Legislative Audit Commission.

Washington

44.28.083 Performance audit work plans

During the regular legislative session of each odd-numbered year, beginning with 1997, the joint legislative audit and review committee shall develop and approve a performance audit work plan for the subsequent sixteen to twenty-four-month period and an overall work plan that identifies state agency programs for which formal evaluation appears necessary. Among the factors to be considered in preparing the work plans are:

- (a) Whether a program newly created or significantly altered by the legislature warrants continued oversight because
 - (i) the fiscal impact of the program is significant, or
 - (ii) the program represents a relatively high degree of risk in terms of reaching the stated goals and objectives for that program;
- (b) Whether implementation of an existing program has failed to meet its goals and objectives by any significant degree; and
- (c) Whether a follow-up audit would help ensure that previously identified recommendations for improvements were being implemented.

Recommendation 4C. The statute should provide that any bill or amendment that would amend

the work plan adopted by the Evaluation Oversight Committee (EOC), or direct the EOC to undertake a particular study topic, could not be considered by any committee of either house of the General Assembly until the bill or amendment was referred to the EOC. The EOC should review any bill or amendment and submit a written report to the committee or the house of the General Assembly that had proposed the amendment or bill.

Connecticut

Sec. 2-53g. Duties

(a) The Legislative Program Review and Investigations Committee shall: (4) consider and act on requests by legislators, legislative committees, elected officials of state government and state department and agency heads for program reviews. The request shall be submitted in writing to the Program Review and Investigations Committee and shall state reasons to support the request. The decision of the committee to grant or deny such a request shall be final.

Nevada

NRS 218.625 Officers and employees not to oppose or urge legislation; disclosure of information.

5. If a Legislator asks whether a request for proposed legislation relating to a specific topic has been submitted to the Legislative Counsel for preparation, the Legislative Counsel shall disclose to that Legislator whether such a request has been submitted.

6. Upon receipt of a request for the preparation of a measure to be submitted to the Legislature which duplicates or closely resembles a request previously submitted for the same Legislative Session, the Legislative Counsel shall, to the extent practicable, notify the Legislator or other requester submitting the duplicative request of that fact and, except as otherwise provided in this subsection, ask the Legislator or other requester to withdraw the request. If the request is not withdrawn, the Legislative Counsel shall inform the previous requester of the fact that a duplicative request has been made. If the request is submitted by a Legislator on his own behalf, and the previous request was submitted by a Legislator who is a member of the other house of the Legislature, the Legislative Counsel shall inform the second requester of the fact that the request is duplicative.

Recommendation 4D. The committee should receive and review reports completed by the office and hold hearings on them as the committee may direct.

Wisconsin

13.53 Joint legislative audit committee

(2) Responsibilities The joint legislative audit committee shall have advisory responsibilities for the legislative audit bureau. The committee's responsibility is subject to general supervision of the joint committee on legislative organization. The joint legislative audit committee may:

(b) Study and review the postaudit or other reports submitted by the legislative audit bureau, confer with the state auditor and assistants and with other legislative committees in regard to such reports and, when necessary, confer with representatives of the entities audited in order to obtain full and complete information in regard to any fiscal transactions and governmental operations within the state.

(3) Postaudit report consideration

(c) Each appropriate standing committee, and the joint legislative audit committee, may hold a hearing on the contents of a postaudit report by the legislative audit bureau. An appropriate standing committee may request the joint legislative audit committee to hold such a hearing. Nothing in this paragraph precludes joint hearings by two or more committees.

Recommendation 4E. The committee may recommend reports to the attention of other standing committees of the General Assembly.

Wisconsin

13.53 (2) (c) Joint legislative audit committee

[May] refer to the legislature or to an appropriate standing committee information that, in its opinion, warrants action by the legislature or by the committee. It may request from a standing committee information on such action as is taken. The committee shall seek the advice of the appropriate standing committees with respect to the program portion of an audit relating to an entity which is within the purview of such committee.

Recommendation 4F. The committee should have the power to file legislation to implement recommendations in reports.

Connecticut

Chapter 16 Section 2-53g

Duties (a) The Legislative Program Review and Investigations Committee shall: (7) originate, and report to the General Assembly, any bill it deems necessary concerning a program, department or other matter under review or investigation by the committee, in the same manner as is prescribed by rule for joint standing committees of the General Assembly.

Recommendation 4G. The committee should have the power to require the office to complete follow-up program evaluations or studies.

Nevada

NRS 218.8245 Audits: Report on carrying out of recommendations of Legislative Auditor; review of report.

1. Each person [agency] who submits a plan pursuant to [comply with the recommendations of an audit] shall, within 6 months after submission of the plan, submit to the Legislative Auditor a report specifying the extent to which the recommendations of the Legislative Auditor have been carried out, the extent to which the recommendations have not been carried out and the reasons for any failure to carry out the recommendations.
2. The Director of the Department of Administration shall, within 6 months after the period for submission of plans pursuant to paragraph (c) of subsection 1 of NRS 218.8235, submit to the Legislative Auditor a report specifying the extent to which the recommendations of the Legislative Auditor have been carried out, the extent to which the recommendations have not been carried out and the reasons for any failure to carry out the recommendations.
3. The Legislative Auditor shall submit each report received pursuant to subsections 1 and 2 to the Legislative Commission and the Interim Finance Committee. If the Legislature is in session, the Legislative Auditor shall also submit the reports to each member of the Assembly Standing Committee on Ways and Means and the Senate Standing Committee on Finance. The Legislative Commission may review the reports, conduct hearings to examine any justification for a failure to carry out the recommendations of the Legislative Auditor and report its findings to the Legislature.

Virginia

30-58.2 Supplementary studies and reports

The Commission shall prepare supplementary studies and reports of the program reviews and evaluations called for in §§ 30-58.1 and 30-67 in the following manner:

1. At least once in each biennium and at such other times as the Commission deems necessary, a report shall be made to the General Assembly which includes:

- (i) annotations of reports previously issued;
- (ii) a summary of significant actions taken by executive agencies in response to reports and recommendations previously issued; and
- (iii) matters pertaining to the report topics that may require additional legislative attention and consideration.

2. From time to time, agencies involved in matters which have been studied under the provisions of § 30-58.1 or § 30-67 may be required to communicate to the Commission at a hearing called for such purpose or in writing, the status of actions completed or being taken in response to reports and recommendations previously issued.

3. In the event a report of the Commission cites waste, extravagance, unauthorized activities, or other significant deficiencies which result in the misuse of public funds, a supplementary report shall be made at such time as the Commission deems appropriate, which provides the General Assembly:

- (i) a review of the problem;
- (ii) recommendations made by the Commission or other legislative committee to correct the problem;
- (iii) actions taken or planned by the agency to correct the problem; and (iv) such other matters as may require additional legislative attention to correct the problem.

Washington

44.28.083 Performance audit work plans

(1) During the regular legislative session of each odd-numbered year, beginning with 1997, the joint legislative audit and review committee shall develop and approve a performance audit work plan for the subsequent sixteen to twenty-four-month period and an overall work plan that identifies state agency programs for which formal evaluation appears necessary. Among the factors to be considered in preparing the work plans are: (c) Whether a follow-up audit would help ensure that previously identified recommendations for improvements were being implemented.

Recommendation 4H. The statute should require all state officials and agencies to cooperate with the work of the legislative program evaluation office as requested by the office.

Connecticut

2-53g Duties of the Legislative Program Review and Investigations Committee

The Legislative Program Review and Investigations Committee shall: (3) ... when necessary, confer with representatives of the state departments and agencies reviewed in order to obtain full and complete information in regard to programs, other activities and operations of the state, and may request and shall be given access to and copies of, by all public officers, departments, agencies and authorities of the state and its political subdivisions, such public records, data and other information and given such assistance as the committee determines it needs to fulfill its duties.

Arizona

41-1279 Joint legislative audit committee

C. The committee shall:

4. Require state agencies to comply with findings and directions of the committee regarding sunset, performance, special and financial audits.

Wisconsin

13.53 Joint legislative audit committee

(2) Responsibilities The joint legislative audit committee may: (b) Study and review the post audit or other reports submitted by the legislative audit bureau, confer with the state auditor and assistants and with other legislative committees in regard to such reports and, when necessary, confer with representatives of the entities audited in order to obtain full and complete information in regard to any fiscal transactions and governmental operations within the state.

Recommendation 4I. The statute should empower the committee to examine witnesses, require the appearance of any person and the production of papers or records, including books, accounts, documents, electronic records and other materials, and to order the appearance of any person for the purpose of producing papers or records, including books, accounts, documents, electronic records and other materials.

Idaho

67-460 Powers of Committee

The joint legislative oversight committee shall have the following powers: (3) To examine witnesses, to require the appearance of any person and the production of papers or records, including books, accounts, documents, computer records, and other materials, and to order the appearance of any person for the purpose of producing papers or records, including books, accounts, documents, computer records, and other materials, as is provided other legislative committees.

Mississippi

5-3-57 Powers of the Joint Legislative Committee on Performance Evaluation and Expenditure Review

The committee shall have the following powers:

- (a) To conduct, in any manner and at any time deemed appropriate, a performance evaluation of all agencies. It may examine or investigate the budget, files, financial statements, records, documents or other papers of the agency deemed necessary to the committee.
- (b) To conduct, in any manner and at any time deemed appropriate, a review of the budget, files, financial statements, records, documents or other papers, as deemed necessary by the committee, of any agency ... and to do any and all things necessary and incidental to the purposes specifically set forth in this section.

Recommendation 4J. The statute should require the staff of the office to maintain the confidentiality of any materials submitted to it by another entity to the extent that confidentiality is otherwise protected by law.

Arizona

41-1279.05 Confidential records of auditor general; exemptions; divulgence of restricted information; violation; classification

A. Working papers and other audit files maintained by the auditor general are not public records and are exempt from title 39, chapter 1. The information contained in such working papers and audit files prepared pursuant to a specific audit is not subject to disclosure, except to the attorney general and to

any county attorney in connection with an investigation made or action taken in the course of their official duties.

B. If the committee approves a special research request, on request for disclosure by the president of the senate or the speaker of the house of representatives, the auditor general shall disclose information contained in the special research request working papers and audit files to the president of the senate or the president's designee, the speaker of the house of representatives or the speaker's designee and the chairman of the joint legislative audit committee for the purpose of overseeing the special research request. Information contained in the special research request working papers and audit files is not a public record, is exempt from title 39, chapter 1 and is not subject to disclosure except as provided in this section. A person shall not further disclose the information that is obtained from the auditor general.

C. If the auditor general, any member of the auditor general's staff, any other employee or any person who has obtained information pursuant to subsection B knowingly divulges or makes known in any manner not permitted by law any particulars of any record, document, or information the disclosure of which is restricted by law, the person is guilty of a class 5 felony.

Connecticut

2-53g Duties of the Legislative Program Review and Investigations Committee

(3) ... Any statutory requirements of confidentiality regarding such records, data and other information, including penalties for violating such requirements, shall apply to the committee, its staff and its other authorized representatives in the same manner and to the same extent as such requirements and penalties apply to any public officer, department, agency or authority of the state or its political subdivisions.

Nevada

218.870 Legislative auditor to keep file of reports and releases; confidentiality of working papers from audit.

2. All working papers from an audit are confidential and may be destroyed by the legislative auditor 5 years after the report is issued, except that the legislative auditor:

- (a) Shall release such working papers when subpoenaed by a court; or
- (b) May make such working papers available for inspection by an authorized representative of any other governmental entity for a matter officially before him or by any other person authorized by the legislative commission.

Recommendation 4K. The committee should have the authority to issue subpoenas upon the signatures of the co-chairs of the committee.

Arizona

41-1279. Joint legislative audit committee; composition; meetings; powers and duties

C. The committee shall: (3) Have the power of legislative subpoena in accordance with article 4 of this chapter.

Florida

Title 3, Chapter 11, Section 11.40 Legislative Auditing Committee

(4) The Legislative Auditing Committee may take under investigation any matter within the scope of an audit, review, or examination either completed or then being conducted by the Auditor General or the Office of Program Policy Analysis and Government Accountability, and, in connection with such investigation, may exercise the powers of subpoena by law vested in a standing committee of the Legislature.

Recommendation 4L. The committee should have the power to contract with private individuals or entities for the conduct of program evaluations or portions thereof.

Connecticut

Chapter 16, Sections 2-53g Duties

(a) The Legislative Program Review and Investigations Committee shall: (6) retain, within available appropriations, the services of consultants, technical assistants, research and other personnel necessary to assist in the conduct of program reviews and investigations.

Florida

Title 3, Chapter 11, Section 11.40 Legislative Auditing Committee

(6) (c) The committee shall create and maintain a list of not less than 10 independent contract auditors approved to conduct the required audits. Each lobbying firm selected for audit in the random audit process may designate one of the independent contract auditors from the committee's approved list. Upon failure for any reason of a lobbying firm selected in the random selection process to designate an independent contract auditor from the committee's list within 30 calendar days after being notified by the committee of its selection, the committee shall assign one of the available independent contract auditors from the approved list to perform the required audit. No independent contract auditor, whether designated by the lobbying firm or by the committee, may perform the audit of a lobbying firm where the auditor and lobbying firm have ever had a direct personal relationship or any professional accounting, auditing, tax advisory, or tax preparing relationship with each other. The committee shall obtain a written, sworn certification subject to s. 837.06, both from the randomly selected lobbying firm and from the proposed independent contract auditor, that no such relationship has ever existed.

Washington

44.28.083 Performance audit work plans

(4) The performance audit work plan and the overall work plan may include proposals to employ contract resources.

Appendix 5 Recommendation 5

Appendix 5 provides statutory citations and language relevant to recommendation 5. The statutory citations and language correspond to the main theme of the recommendation. Not every point in the recommendation has a corresponding cite and language.

Recommendation 5. Under the general direction of the Evaluation Oversight Committee, the program evaluation office should conduct its work in an objective, professional, nonpartisan fashion.

Recommendation 5A. The office should examine the operations of state programs to ascertain whether state resources are being used responsibly, efficiently, effectively and in accordance with law and legislative intent.

Recommendation 5B. The office should make recommendations for improvements in the operations of the agencies and programs it evaluates.

Virginia

30-58-1 Powers and duties of Commission.

The Commission shall have the following powers and duties:

E. Make such reports on its findings and recommendations at such time and in such manner as the Commission deems proper submitting same to the agencies concerned, to the Governor and to the General Assembly. Such reports as are submitted shall relate to the following matters:

1. Ways in which the agencies may operate more economically and efficiently;
2. Ways in which agencies can provide better services to the Commonwealth and to the people; and
3. Areas in which functions of state agencies are duplicative, overlapping, or failing to accomplish legislative objectives or for any other reason should be redefined or redistributed.

Recommendation 5C. Evaluations and all office operations should be conducted in a fashion that complies with national standards of professionalism and practice for such offices. The office should periodically request the review of its peers in other states for the purpose of reviewing internal standards of practice and performance

Wisconsin

13.53(5) Interference; Special Duties

The state auditor shall carry out the auditor's professional responsibilities in accordance with accepted professional auditing standards and shall conduct examinations within the framework of the ethics of the auditing profession. No member of the joint legislative audit committee, the joint committee on legislative organization or other member of the legislature may interfere in any way with the state auditor in the conduct of audit examinations.

Appendix 6

Recommendation 6

Recommendation 6. The director of the program evaluation office should have the powers necessary to carry out the mission of the office.

No specific statutory citations.