



Department of Legislative Services
Office of Legislative Audits

Managing For Results

Audit Status Update

Presentation to the Joint Audit Committee

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MFR Overview

- The Department of Budget and Management's January 2005 Managing for Results – State Comprehensive Plan identifies 5 functional areas or pillars that focus on achieving State goals. They are:
 - Public Safety and Safer Neighborhoods: Maryland communities will be safe and secure.
 - Education: Maryland citizens will have access to quality educations enabling them to obtain well-paying jobs, to live full and enriched lives, and to serve their communities.
 - Health and the Environment: Marylanders will be healthy, live in a healthy environment, and benefit from a revitalized Chesapeake Bay.
 - Commerce: Maryland will be a state where business and commerce thrive, supported by a well-functioning and modern transportation system.
 - Fiscal Responsibility: The State will allocate its resources effectively and manage spending within available revenues.
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Audit Overview

OLA is systematically auditing the 62 measures identified in the Plan. For audit efficiency, the 62 measures were divided into the following seven performance areas:

Performance Area	No. of Measures
Public Safety and Safer Neighborhoods	13
Education	6
Higher Education	6
Health	13
Environment	9
Commerce	13
Fiscal Responsibility	2



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Audit Schedule

Reports on two of the performance areas have been issued (exhibits 1 and 2), and audits of five more performance areas either are in progress or will be initiated during the upcoming year.

Performance Area	Report Dated
Public Safety and Safer Neighborhoods	March 19, 2009
Education	October 2, 2009

Performance Area	Audit Start Date
Higher Education	November 23, 2009
Fiscal Responsibility	November 23, 2009
Environment	December 2009
Health	TBD
Commerce	TBD



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Audit Results

The accuracy of the 19 measures audited so far:

No.	Category	Definition
4	Certified	Reported performance was reasonably accurate.
6	Certified with Qualification	Reported performance was reasonably accurate even though either minor deficiencies were noted or the methodology used was not consistent with the measure definition.
2	Inaccurate	Reported performance differed significantly from actual performance; the calculation process was wrong, such as excluding data relevant to the calculation; or, as reported, the measure was misleading, such as failing to disclose the measure as a rate when applicable.
7	Factors Prevented Certification	Reported performance could not be verified, as documentation was unavailable, controls were not adequate to ensure the accuracy of the results, or results were not presented in a manner consistent with the performance measure description.



Discussion of Audit Results

The primary factors contributing to our inability to certify nine measures were:

- Documentation was not available to support the reported results.
- For data used in calculating the measure, procedures and controls were not adequate to ensure supporting agency or third party data was complete, accurate and reliable.
- Reported results were not consistent with the performance measure descriptions and definitions.

The applicable agencies generally agreed with our conclusions and have indicated that any necessary corrective actions will be taken.



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Conclusion

These audit results indicate that:

- Agency MFR staff need to become more familiar with DBM requirements for documentation and controls for MFR data.
- More active involvement of agency Internal Auditors and Inspector Generals may help address reliability issues.
- Executive management commitment to the MFR process should help improve the reliability and usefulness of the measures.

Exhibit 1 - Public Safety and Safer Neighborhoods

Audit Report Dated March 19, 2009

Measure Number	MFR Measure	Level of Certification
Keeping Maryland communities safe – measured by:		
1	Firearm homicide rate per 100,000 (calendar year)	Certified
2	Recidivism: Percent of offenders returned to Department of Public Safety & Correctional Services supervision for a new offense within 1 year of their release from the Division of Correction - all releases	Factors Prevented Certification
3	Traffic fatality rate per 100 million miles traveled (calendar year)	Factors Prevented Certification
Maintaining necessary security standards in correctional institutions – measured by:		
4	Number of inmates who escape from all Division of Correction Facilities, Patuxent Institution, and Division of Pretrial Detention and Services facilities (in aggregate)	Certified with Qualification
5	Total number of inmates who walk off from Division of Correction minimum security settings, prerelease or alternative confinement settings (in aggregate)	Certified with Qualification
Providing effective rehabilitation and treatment services to offenders or substance abusers–measured by:		
6	Percent of Proactive Community Supervision cases closed where the offender had satisfactorily completed substance abuse treatment programs	Inaccurate
Preventing youth violence, alcohol and substance abuse – measured by:		
7	Violent offense arrest rate for youths between 15 and 17 years of age (per 100,000 children per calendar year)	Inaccurate
8	Recidivism: Percent of youth re-adjudicated or reconvicted within 1 year after release	Factors Prevented Certification
9	Percent of 12th grade public school children who report using alcohol within the last 30 days	Certified with Qualification
10	Percent of 10th grade public school children who report using heroin within the last 30 days	Certified with Qualification
Protecting the well being of children – measured by:		
11	Rate of injury-related deaths due to accidents to children and youth between 0 and 19 years of age (per 100,000 children per calendar year)	Factors Prevented Certification
12	Percent of children with recurrence of maltreatment within 6 months of first occurrence	Factors Prevented certification
13	Statewide percent of current child support paid (Includes cases for persons who receive public assistance, and for other persons who apply for child support services from the Department of Human Resources)	Certified

Exhibit 2 - Education

Audit Report Dated October 2, 2009

Measure Number	MFR Measure	Level of Certification
Children will enter school ready to learn - measured by:		
1	Percent of students entering Kindergarten demonstrating Full Readiness on the Work Sampling System Kindergarten Assessment	Certified with Qualification
Children will be successful in school - measured by:		
2	Percent of students scoring proficient or better by grade and content area: <ul style="list-style-type: none"> • Reading – Grade 3 – Total all groups • Reading – Grade 8 – Total all groups • Reading – Grade 10 – Total all groups • Mathematics – Grade 3 – Total all groups • Mathematics – Grade 8 – Total all groups • Algebra – Total all groups 	Certified with Qualification
Children will complete school - measured by:		
3	High School Graduation Rate	Factors Prevented Certification
4	Percent of children in grades 9 through 12 who drop out of school in an academic year	Factors Prevented Certification
Schools will promote high levels of learning - measured by:		
5	Percent of schools demonstrating Adequate Yearly Progress in reading – State totals	Certified
6	Percent of schools demonstrating Adequate Yearly Progress in mathematics – State totals	Certified