

Government Performance Project Releases States Grades: Idaho Earns a B-; Stung by Revenue Shortfall, Plans for the Long Term

GPP issues state report cards. "Grading the States 2005" is the nation's only comprehensive, independent analysis of how well each state is managed.

Washington, DC ([PRWeb](#)) January 31, 2005 -- In a bid to catch up with other states, Idaho has finally adopted long-term financial planning as a central part of its management strategy, abandoning a short-term approach.

The conclusion is based on research released today by The Government Performance Project (GPP), the nations only comprehensive, independent analysis of how well each state government in managed. The project is funded by The Pew Charitable Trusts.

The state report card, "Grading the States 2005," said Idaho's new policy follows an ill-timed package of tax cuts in 2001 that resulted in a revenue shortfall of 14.5 percent the following year, prompting a sales tax hike and cuts in agency budgets. The fiscal difficulties also led to the long-term planning initiative and a drive to boost inter-agency cooperation.

Overall, Idaho was given a grade of B- on a scale of A-F, the same as seven other states including Florida, New York and the Dakotas, for its management of Money, People, Infrastructure and Information. All 50 states received grades in the GPP's report, which can found on <http://results.gpponline.org/Idaho> and in the February issue of Governing magazine.

According to GPP Director Susan Tompkins, the quality of management performance by state governments is often critical to the success of a states programs and policies. "The last few years have seen the biggest financial crisis for state governments in 50 years," said Tompkins. "The way Idaho has reacted to this crisis managerially has had a big impact on citizens in this state and will for years to come."

Forecasting revenue beyond two years -- Idaho's previous limit -- is standard operating procedure in most states. But for Idaho, it's a sea change, according to the report. Idaho is just now making improvements that many states made years ago, the report said.

GPP researchers found the state is taking the reform seriously. For example, the governor's recommended budget for 2005 was a mandate to the legislature to extend revenue forecasts beyond two years.

At the same time, Idaho has started to finance some capital projects, primarily for higher education campuses, with bond issues. This increases the scrutiny of the credit-rating agencies, and provides an extra incentive to manage for the long-term.

The state earned a B+ for its money management, in line with 10 other states including Iowa, Kansas and Kentucky. Researchers assigned mid-level grades to all the sub-categories of long-term outlook, the budget process, structural balance, contracting/purchasing, and financial controls/purchasing.

On people management, the state gets a B, along with a strong rating for employee retention. Mid-level grades were given in the other people sub-categories, such as hiring and strategic workforce planning.

In the area of infrastructure, Idaho earned a C+ grade with capital planning and maintenance identified as areas of weakness.

The state's performance in information management -- how information is gathered, analyzed, used and shared -- was also rated a C+; program evaluation was seen as being weak while other sub-categories such as strategic direction were given mid-level grades.

The GPP report, the result of a year of research by a team of academics and journalists, is designed to allow state leaders to identify strengths and weaknesses, and to compare the performance of their state to others. All citizens are affected by how efficiently their state is governed.

The GPP used data from different sources: (1) an online survey filled out by designated state managers; (2) a systematic analysis of public documents; (3) interviews with legislators and executive officials, independent citizen groups and academics. (Note to journalists: please see methodology below for detailed information on process.)

To view the complete report on Idaho and to compare its performance to the other 49 states, see results.gpponline.org/Idaho. The February issue of *Governing* magazine also reports on the state grades at www.governing.com on January 31.

The Pew Charitable Trusts (www.pewtrusts.com) serves the public interest by providing information, policy solutions and support for civic life. Based in Philadelphia, with an office in Washington, D.C., the Trusts make investments to provide organizations and citizens with fact-based research and practical solutions for challenging issues. With approximately \$4.1 billion in dedicated assets, in 2003 the Trusts committed more than \$143 million to 151 nonprofit organizations.

The Methodology

"Grading the States 2005" builds on a rich lode of information about performance. The Government Performance Project has collected thousands of pieces of data which, put together, paint a detailed portrait of state government performance. The grading process for GPP 2005 built on the following steps:

- Grading against criteria. The GPP graded the states against criteria, not against each other. The team's analysts began by carefully identifying the four management areas -- Information, Infrastructure, Money, and People -- that are most important in achieving policy goals. In each management area, they then identified the characteristics of effectively managed governments. These criteria, defined by the best research in the field, established the grading standards.
- Refining the criteria. The GPP's research team then identified the components (that is, the subcriteria) that make up each criterion. For example, a state that manages its Money well would maintain structural balance by

making limited use of one-time revenues; a state that manages its People well would retain a skilled workforce by maintaining productive relations with its employees. These subcriteria defined each of the criteria.

- Collecting the most important information on the criteria and subcriteria. The GPPs research team then collected the data that provided the best information about the criteria and subcriteria. Researchers assembled much of the data from existing sources, including information posted on state websites and published in government reports. Some of the information came from an innovative web-based survey, in which state officials completed information requested by the GPP. And some of the information came from interviews conducted by the team of reporters from Governing magazine.
- Analyzing the information through a collaborative process. The research team of scholars and journalists then jointly analyzed and discussed the data and its implications. They combined their information and jointly assigned the grades.
- Conducting the process in transparent fashion. From the very beginning, the GPP committed to a process of transparency. The projects researchers and reporters consulted extensively with state officials before defining the criteria. The GPP published the criteria and subcriteria before launching data collection. Along the way, regular electronic newsletters kept state officials, as well as others interested in the project, on its progress. When the GPP published the grades in Governing, it provided extensive explanation of the grades and of the information used to produce them. In addition to the narratives published in the magazine, the GPP website contains deeper explanation. In the coming months, more and more data and analysis from the project will be made available on the website as well. The result is an unprecedented repository of information about state government management, which will be available without charge to anyone interested in reviewing it.

This is the third time that the Government Performance Project has graded the states. The grades in this version are not comparable with the grades in the previous phases of the project, for several reasons:

- Number of management categories graded. In the past, the GPP graded five management areas. In this version, the research team redefined all of the criteria and combined some of them. As a result, the five categories graded in previous versions do not match the four in this version.
- Emphasis on results. Previous versions of the GPP focused on the processes of state government. In this phase, the GPP focused far more on the ability of state governments to produce results. For example, in this version of the GPP, it is not enough for a state to demonstrate that it collects information about the performance of its programs. The GPP grades states on how they use that information to improve results.

Because of these two important changes, grades in this version of the GPP are not comparable with previous grades. Such comparisons should not be made; if they are made, they are certain to be misleading and inaccurate.

The grades assess the capacity of state governments, as a whole, to produce results. The grades do not represent a judgment of any individual within state government, or of any branch of state government. Many things go into the assessments, including state legal and constitutional processes, the structure of state policies and programs, the relationships among elements of the state government, and the relationship between government and its citizens.

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Contact Information

Barbara Beck

Sage Communications Partners

<http://results.gpponline.org>

215-209-3076

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