

GOVERNOR'S OFFICE

Annual Performance Progress Report (APPR) for Fiscal Year (2013-2014)

Original Submission Date: 2014

Finalize Date: 9/16/2014

2013-2014 KPM #	2013-2014 Approved Key Performance Measures (KPMs)
1	CUSTOMER SATISFACTION - Percent of participants (customers) who rate the Regional Solutions process very good to excellent.
2	CERTIFIED INDUSTRIAL SITES - Number of new industrial sites / acres certified as "project ready".
3	OREGON FUGITIVES RETURNED - Percent of Oregon fugitives returned to Oregon in the most cost-effective and timely manner, giving priority to the most serious offenders.
4	NUMBER OF STATE CONTRACT AWARDS TO CERTIFIED MINORITY, WOMEN AND EMERGING SMALL BUSINESSES (MWESB):
5	STATE HIRING - Number of protected classes being hired, promoted, and retained in state agencies.

New Delete	Proposed Key Performance Measures (KPM's) for Biennium 2015-2017
DELETE	<p>Title: OREGON FUGITIVES RETURNED - Percent of Oregon fugitives returned to Oregon in the most cost-effective and timely manner, giving priority to the most serious offenders.</p> <p>Rationale: We propose to eliminate this Key Performance Measure (KPM) because the extradition program is largely guided by state and federal law and the current KPM is measured in terms of the cost savings gained by the use of the regional shuttle system, a system used by law enforcement for coordinating and holding fugitives throughout the region. The program is primarily funded by restitution from offenders and indirect federal funds. This KPM is not very useful in terms of measuring Governor's Office performance. We therefore recommend that it be eliminated as a KPM.</p>

GOVERNOR'S OFFICE

I. EXECUTIVE SUMMARY

Agency Mission: The Governor's Office provides leadership and direction to state agencies that are in the Executive Branch. The Governor's Office includes: Program Area Policy Advisors (e.g., education, workforce, natural resources, jobs and economy, health care, labor and human services, public safety, transportation, and veterans), Executive Appointments, Public Affairs, Diversity and Inclusion, Economic and Business Equity, Extradition Services (for all law enforcement agencies), and Regional Solutions. The focus of the Annual Performance Progress Report is on the last four program areas. These program areas track performance measures, as detailed within this report.

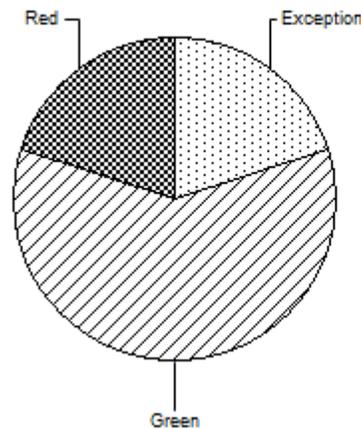
Contact: Mike Bonetto

Contact Phone: 503-373-1565

Alternate:

Alternate Phone:

Performance Summary



Green
= Target to -5%

Yellow
= Target -6% to -15%

Red
= Target > -15%

Exception
Can not calculate status (zero entered for either Actual or

1. SCOPE OF REPORT

This report includes information from the following divisions of the Governor's Office: Diversity and Inclusion, Economic and Business Equity, Regional Solutions, and Arrest and Return (Extradition).

Economic and Business Equity Contact: Eloisa Miller, Interim Director. Duties and Responsibilities: The Director is appointed by the governor and serves as a policy advisor to the governor on issues related to minority, women, and emerging small businesses, and creates access to contracting opportunities for certified firms.

Diversity and Inclusion Contact: Frank Garcia, Director. Duties and Responsibilities: Diversity and Inclusion supports the directive to recruit, retain, and promote employees who represent the broadest possible spectrum of society, with emphasis on women, minorities, individuals with disabilities, and all other protected classes. The office monitors state agencies' efforts in how they are implementing and/or being proactive in their affirmative action initiatives. We continue to support agencies through the monthly Affirmative Action Workgroup sessions. These sessions include speakers and sharing of agencies best practices and where there are challenges how to overcome. The office is engaged with community leaders, local organizations, and ethnic groups to promote the State of Oregon as the Employer of Choice and to recruit members for state boards and commissions.

Arrest and Return (Extradition) Contact: Fran Lushenko, Director of Extradition Services. Duties and Responsibilities: Arrest and Return provides administrative services for Oregon's extradition program.

Regional Solutions Contact: Annette Liebe, Director. Duties and Responsibilities: Regional Solutions Centers address the needs of all Oregon counties and cities by providing a neutral forum and a place for state agencies to work collaboratively with local governments, as well as civic and private interests, to help solve problems and seize opportunities that local communities have identified as regional priorities. Housing the centers at universities and community colleges connects government to research and innovation and gives students the opportunity to work on real, on-the-ground projects. Citizens see integrated government services connected to institutions of higher education addressing regional priorities identified by and for local communities. The centers focus on completing specific, tangible projects that bring new jobs to communities or retain existing ones.

2. THE OREGON CONTEXT

Much of the work of these four, somewhat disparate subdivisions is oriented toward Governor Kitzhaber's principle of stable, efficient, and accountable state government, and individual agency missions. Individual linkages to Oregon Benchmarks will be identified in the KPM narrative section.

3. PERFORMANCE SUMMARY

Performance for each subdivision will be reported in their respective KPM narratives.

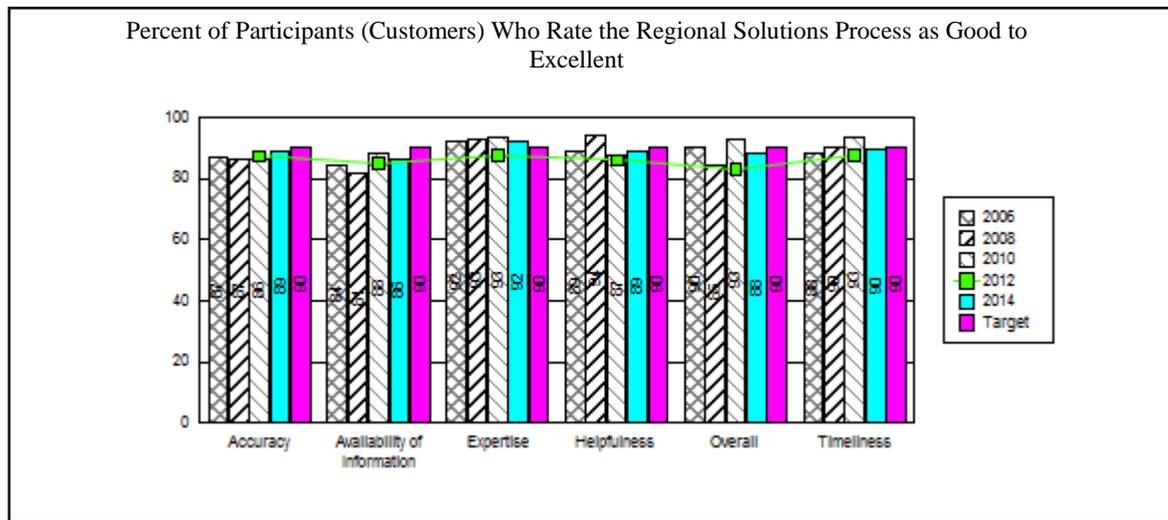
4. CHALLENGES

Each subdivision performs a different role. It is difficult to identify common challenges among all four. This will be addressed under each KPM detail.

5. RESOURCES AND EFFICIENCY

See Legislatively Adopted Budget 2013-2015. Arrest and Return: \$773,477 General Fund, \$172,680 Other Funds; Diversity and Inclusion (Affirmative Action): \$659,717 Other Funds; Economic and Business Equity (MWESB): \$639,536 Other Funds; Regional Solutions (ERT): \$3,261,204 Lottery Funds. There are no current efficiency measures in place.

KPM #1	CUSTOMER SATISFACTION - Percent of participants (customers) who rate the Regional Solutions process very good to excellent.	2002
Goal	CUSTOMER SERVICE: Improve the quality and efficiency of delivering state services to local governments and businesses.	
Oregon Context	OBM 35: Public Management and Regional Solutions Mission	
Data Source	The Governor's Regional Solutions Office conducts a customer satisfaction survey on a biennial basis. The 2014 Customer Satisfaction Survey was developed following the DAS Recommended Statewide Customer Service Performance Measure Guidelines. The Governor's Office used SurveyMonkey.com to collect and analyze the results. The Regional Solutions Office maintains copies of the raw survey results. A final report detailing the survey methodology and findings was prepared by and is available from the Regional Solutions Office.	
Owner	Governor's Regional Solutions Office, Contact: Lisa Howard, Intergovernmental Coordinator, 503-378-6502, lisa.howard@oregon.gov	



1. OUR STRATEGY

Rebuilding a strong economy for Oregon requires a level of collaboration and integration that goes far beyond current practices. The Governor's goal is to approach community and economic development by recognizing the unique needs of each region in the state and working at the local level to identify priorities, solve problems, and seize opportunities to get specific projects completed. Leveraging all funding opportunities to address the highest regional priorities is necessary for sound and long-term economic growth. The Governor believes the state can no longer afford single-objective spending. Agency work and investments and projects need to be better integrated and focused on regional priorities. To grow Oregon's economy and create jobs, all resources in the community - public, private, and civic - must join forces to shape the state's future and to successfully accelerate and complete on-the-ground projects. Regional Solutions teams build on the foundation of the previous models of Community Solutions and Economic Revitalization teams. Five state agencies are part of all teams: the Department of Environmental Quality, the Department of Land Conservation and Development, the Department of Transportation, the Department of Housing and Community Services, and the Business Development Department. Each of these five agencies has staff permanently located in the Regional Solutions Centers. Regional Solutions teams serve each of the economic development regions that represent all 36 counties. The Director, Intergovernmental Coordinator, and Regional Solutions Assistant are centrally located and available to assist the field teams and agency leaders.

2. ABOUT THE TARGETS

The targets for customer service remain set at 90% good or excellent responses to serve as a continual motivator for state agency service delivery to local jurisdictions, businesses, and other partners. The 90% target reflects the importance and integral nature of customer service to the Regional Solutions mission and goals. The Regional Solutions approach could not be successful without customer service as a cornerstone.

3. HOW WE ARE DOING

Regional Solutions rated very well in the measured parameters of customer service and although most were slightly below the 90% target they all improved from 2012: Timeliness - 89.7%, Expertise - 92%, Accuracy – 88.6%, Helpfulness – 89.1%, Availability of Information, 86.2%, and Overall Quality of Service - 87.9%. These results track well with past surveys in that Regional Solutions continues to be rated highly for its customer service. The 2014 survey results confirm the efficacy of the efforts to continually stress the importance of customer service to all state participants in the Regional Solutions process.

4. HOW WE COMPARE

Regional Solutions strives to meet a higher target of good or excellent responses compared to the targets that many individual state agencies have for similar customer satisfaction measures. This reflects the importance of customer service to the Regional Solutions approach. Results from the 2014 survey are in line with past customer satisfaction surveys. The rating for overall customer service has been at or close to target for all previous years of measurement. The 2002 and 2004 customer satisfaction surveys preceded the release of the Recommended Statewide Customer Service Performance Measure Guidelines by DAS so survey questions were not exactly the same as the questions asked in later years. The 2006 through 2014 survey questions were very similar, and thus we can easily compare the results.

5. FACTORS AFFECTING RESULTS

There are a number of factors that impact the Regional Solutions approach and work of Regional Solutions participants. For the most part, Regional Solutions is asked to become engaged in local projects that are complex, and many of these projects have long-standing issues that are beyond the scope of traditional, individual state agency processes. The high customer service ratings may be influenced by the fact that the coordinators and state agency participants in Regional Solutions often play a key role in facilitating resolutions to tough issues and, in some instances, bringing a project that has run into problems to a successful conclusion. The high ratings may also reflect how the team often works with local partners on an extended, concerted basis to get a problem addressed for the community or region.

Regional Solutions is constantly challenged by the need to facilitate communications across state agencies when the traditional, state organizational structure is designed with agencies operating in silos. Regional Solutions also faces a potentially huge demand for its services compared to its limited resources. The team must constantly balance the need to work with particular communities on a concerted basis to move high priority projects forward while trying to be available for all communities that request assistance. In addition, they must be flexible to respond to the widely varying capacity of partners to work on economic and community development, i.e. depending on jurisdiction size, resources, and related factors.

6. WHAT NEEDS TO BE DONE

The 2014 results did not highlight any particular parameter as having a noticeably lower rating than the others. Most ratings were slightly below target, but within a few percentage points of the 90% target. In response to the survey results, the Regional Solutions Office will ask the field teams to discuss the results and look for ways they can maintain and enhance customer service. Regional Solutions will continue to work with the Regional Solutions Advisory Committees, the Oregon Solutions Network Steering Committee, the League of Oregon Cities, the Association of Oregon Counties, the Oregon Business Council, economic development districts, the federal delegation, and others to discuss possible ways to further enhance service and outreach and to look for process improvements that could benefit its customers. We will continue to stress the importance of customer service, cooperation, and problem solving to all state agency participants.

7. ABOUT THE DATA

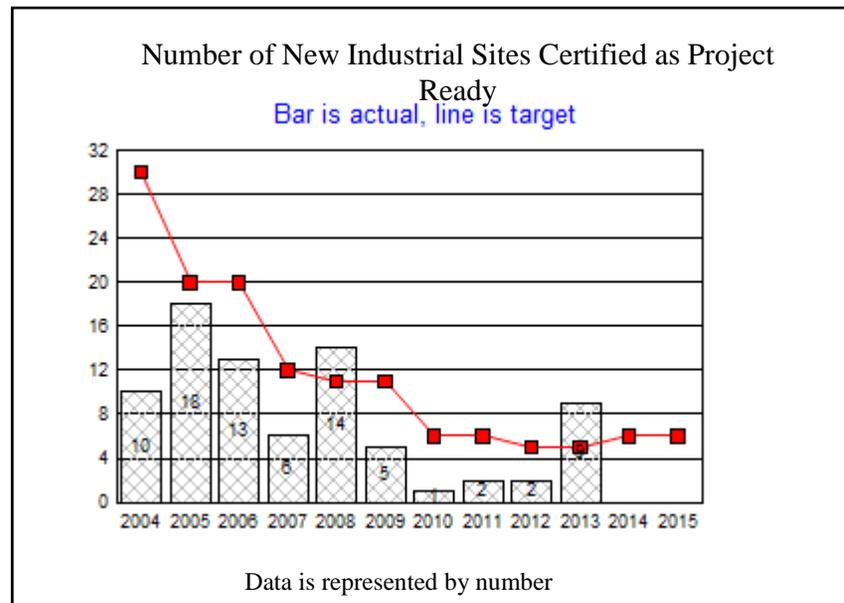
Since the cycle time for most Regional Solutions projects is a year or more, the reporting cycle for customer service is once per biennium instead of annually. For example, helping a community move a development project forward can take a concerted effort over time if planning work, budget development, and permitting are all required. Or readying an industrial site for certification can take a while if extensive and expensive infrastructure or transportation fixes are required for the site.

A strength of the 2014 survey data is that it provided a benchmark and clarified the need for a more comprehensive survey to obtain tangible results. A weakness is that due to budget limitations the questions were limited and lacked demographic information.

The effort to expand the survey target population, made feasible by a switch from a telephone to an online survey, removes any potential bias from having the Regional Solutions Office selecting just a sample of the customer base. Also, the Regional Solutions Office had no control over which members of the target audience responded to the survey; the eSurvey was completely voluntary on the behalf of all receiving the initial invitation to participate. Regional Solutions had no way of tracking the identities of individuals that responded. The Regional Solutions Office was able to provide control over a customer taking the survey multiple times through access control provided in the survey tool.

A copy of the 2014 Regional Solutions Customer Satisfaction Study and survey data are available by contacting the Regional Solutions Office, attention of Lisa Howard, 503-378-6502, lisa.howard@oregon.gov.

KPM #2	CERTIFIED INDUSTRIAL SITES - Number of new industrial sites / acres certified as "project ready".	2004
Goal	Assist Oregon communities to build capacity to retain, expand, and attract businesses.	
Oregon Context	Oregon Benchmarks: 1, 2, 3, 4, 6, 10, 11, & 15; most applicable are 3 - New Employers; 4 Net Job Growth; 6 - Economic Diversification.	
Data Source	Business Oregon maintains data demonstrating that each certified site is ready for development within 180 days.	
Owner	Business Oregon, Sierra Gardiner (503) 689-0119	



1. OUR STRATEGY

Industrial site certification prepares industrial land for swift development into employment uses, helping communities attract new employers, retain or expand existing Oregon businesses, generate property and income tax revenue, and/or revitalize dilapidated or underutilized industrial areas. Industrial site

areas: 1) as a proven recruitment tool for business development; and 2) as an effective program that assists communities to plan for future development and growth.

Site certification is attractive to companies or site developers that are looking to develop quickly on sites with minimal, or at least well-documented barriers to development. Site certification helps inform participants about the rigorous demands of land entitlement and development and serves as a planning tool, helping communities better understand the quantity and the quality of their current stock of industrial/employment land.

While the industrial site certification program is administered by Business Oregon, readying industrial sites for "project ready" certification is a collaborative multi-agency process with various state and local contributors. The department's state partners include Oregon Department of Transportation (ODOT), State Historic Preservation Office (SHPO), Department of Land Conservation and Development (DLCD), and Department of Environmental Quality (DEQ), to name a few. These partnering agencies provide important policy guidance by participating in the certification processes as well as gain insight into how current policies impact the state's economic development efforts. Private property owners, local tribes, and local non-profit organizations are also key partners in the department's certification efforts.

2. ABOUT THE TARGETS

Industrial site development in the state of Oregon is largely predicated on the state of the global economy and real estate trends. Therefore, owner interest in the site certification has varied over the years; varying from three to nine new applications for certification per year. Since the inception of this program, over 180 sites have started the certification process (80 of which were certified). Many of the sites not certified require additional time and money to meet minimum qualification standards for the certification program. Most of the sites in Oregon that were easier to certify have already been certified and many sites were sold. Sites remaining in the process of certification require more staff time, community support, and additional funds for remediation or engineering reports.

3. HOW WE ARE DOING

Industrial Lands Specialist work updates 2014:

- Regional Solutions Centers (RSCs) have agreed to adopt Regional Industrial Lands Strategies for each region to help guide priority sites for certification
- All Certification binders are now on Oregon Prospector, Oregon's on-line site selection tool
- All Certifications and points of contact are now in ACT! CRM database –to track development outcomes. All Certifications have been digitalized for the record and are easily accessible in the cloud-based library
- New Industrial Site Certification will require Decision Ready designation first (new intake form is now online)
- Working on RFP for expanded third party verification pool, new Industry Profiles, and much needed program modernization
- Revised IGAs with stakeholder agencies, including DEQ, DSL, and SHPO

- Presently expanding pool of third party verifiers to ensure timely delivery of customer service
- Decision Ready Memos now have standardized template
- Some marketing materials revised, and others in progress
- Nine new Certifications and four in the pipeline, up seven from the previous year
- Twenty Decision Ready Sites approved and over thirty more in the pipeline
- Thirteen Recertifications completed, and over fifty in the pipeline

4. HOW WE COMPARE

The Oregon Industrial Site Certification program is one of more than twenty such programs nationwide that have some level of state involvement. Program requirements and state involvement vary widely by state. Many of these state programs were sponsored by electric utilities and focused on niche categories (i.e. mega-sites). Oregon has the highest certification standards in the country, giving the program a greater amount of credibility in comparison to others. Industry standards for developable industrial land are very high, with many companies demanding "shovel-ready" sites where they can break ground within 90 days or less. In Oregon, sites are certified as "project-ready," meaning they can be developed within 180 days of lease or purchase.

5. FACTORS AFFECTING RESULTS

The current sites in the certification process are more constrained by physical, transportation, land use, and market factors making them more difficult to meet certification requirements. Limited options for funding and financing public infrastructure improvements remains a challenge for many of these sites and has delayed certification.

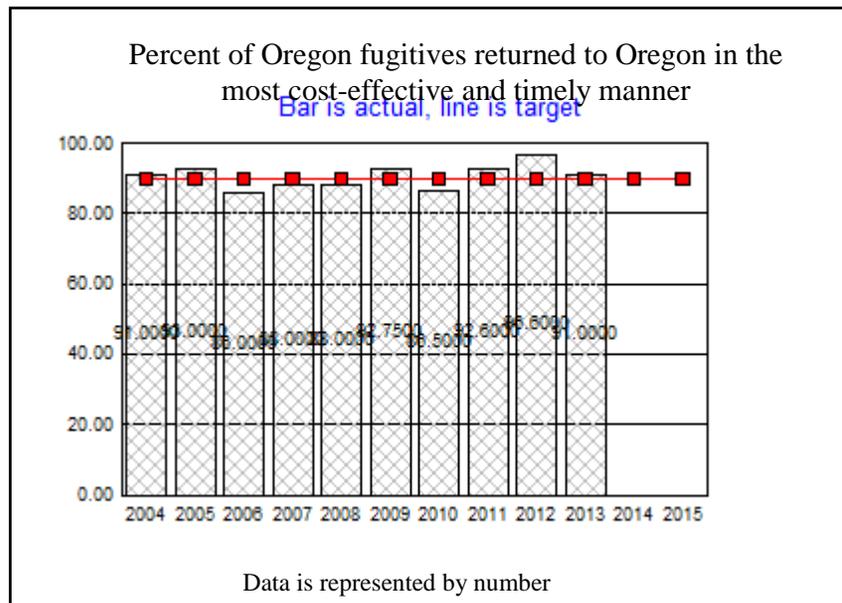
6. WHAT NEEDS TO BE DONE

Business Oregon continues to streamline and improve the certification program without compromising the integrity of the process, and issued new guidelines relating to certification. For example, some certification categories should be added (such as data centers) to the application and some utilities referenced (such as "T3") should be taken out. As part of ongoing program maintenance, a significant update of the certification program is anticipated by December 31, 2016. Some objectives of this process include streamlining forms and application protocols, expanding third party verification tools, revising application criteria to better meet industrial market demands, enhancing program maintenance systems to ensure that sites get increased visibility after certification for at least 2 years, and ensuring the Regional Solutions Teams are providing priority sites and addressing the individual site needs on a regional basis.

7. ABOUT THE DATA

Results represent sites certified within the Fiscal Year and since the program's inception. The date of certification corresponds to the date on the certification letter under the director's signature. For certification, each site needs to document that it is ready for development within 180 days of lease or purchase. The Department maintains notebooks in digital form for all the documentation and also works toward periodic recertification of the sites. Documentation and the sites are reviewed by an independent consultant who recommends certification. Decision Ready sites are worked on with regional partners to identify and prepare sites for the Certification process.

KPM #3	OREGON FUGITIVES RETURNED - Percent of Oregon fugitives returned to Oregon in the most cost-effective and timely manner, giving priority to the most serious offenders.	2001
Goal	Return as many Oregon fugitives to Oregon as possible in the most cost-effective and timely manner, and give priority to the most serious offenders.	
Oregon Context	Oregon Fugitives Returned: Statutory authorities ORS 133.857 Uniform Criminal Extradition Act; ORS 135.775 Interstate Agreement on Detainers; Article IV, Section 2, clause 2 of the U. S. Constitution; 18 U.S.C. 3181-3195.	
Data Source	Biennium database records of all incoming and outgoing extradition movement.	
Owner	Director of Extradition Services: Fran Lushenko, 503-373-0140.	



1. OUR STRATEGY

The Arrest and Return Program will utilize the regional shuttle system to retrieve as many fugitives as possible. The shuttle system retrieves

fugitives throughout the region by coordinating the transports of numerous states' fugitives and utilizing county facilities for holding, transporting, and exchanging fugitives. The shuttle system results in a substantial monetary savings to the State. This savings is directly spent on more costly extraditions of fugitives from outside the shuttle area. Oregon's participation in the shuttle system has allowed Oregon to increase the overall number of fugitives returned. The Arrest and Return Program monitors costs closely and mandates to all parties the lowest cost alternatives available. The director ensures that all parties utilize the shuttle system or the U.S. Marshals Service Cooperative Transport as often as possible, as they are most often the least expensive means of retrieval. When either of these transport methods is not available, and the counties must perform the retrieval, they are reimbursed by the State only for necessary costs of the least expensive form of transport.

2. ABOUT THE TARGETS

The target is set at 90%. Given the mobility of today's society, the ease with which fugitives move about the country, and the finite number of participating states, it is unreasonable to set a goal of 100% for all fugitives to be returned via the shuttle system. Based on past statistics, 90% of retrievals via the shuttle are a noteworthy enterprise as well as being a reasonable and achievable goal.

3. HOW WE ARE DOING

Past biennia statistics reflect shuttle returns run 88% to 92%. The Arrest and Return Program is on average, for all intent and purposes, meeting the target goal. Estimated savings to the state for the first three quarters of the 2013-15 biennium is \$306,592.

4. HOW WE COMPARE

Extradition information is maintained in the Arrest and Return Programs databases. The databases contain all information for each extradition including the method and cost of retrieval. From these databases the director is able to generate reports for each biennium. The reports are used to compare the current extradition statistics with past biennia extradition statistics.

5. FACTORS AFFECTING RESULTS

Voluntary participation: Shuttle participation is strictly voluntary by law enforcement agencies. When a state opts out, shuttle returns from that particular state can no longer be accomplished. Shuttle overcrowding: Transport vans may become overbooked with returning fugitives. Lesser degree felons are removed to allow more severe felons to be transported. Unsuitability of fugitive: High risk or high profile fugitives, fugitives with severe behavioral (assaultive) issues, or severe medical or mental health conditions, jeopardize the security of the shuttle system and constitute a safety risk. These fugitives cannot be transported

via the shuttle. Any participating shuttle agency has the discretion to prohibit a fugitive from being placed on the shuttle. Time constraints: Depending on the state from which the fugitive is being shuttled, the entire trip could take as long as two to four weeks. The fugitive should not be shuttled if there is a time concern. Weather conditions: The shuttle is ground transportation. In the case of inclement weather, the shuttle vans will not run. If the fugitive is required to be returned by a specific deadline, alternative arrangements may need to be made.

6. WHAT NEEDS TO BE DONE

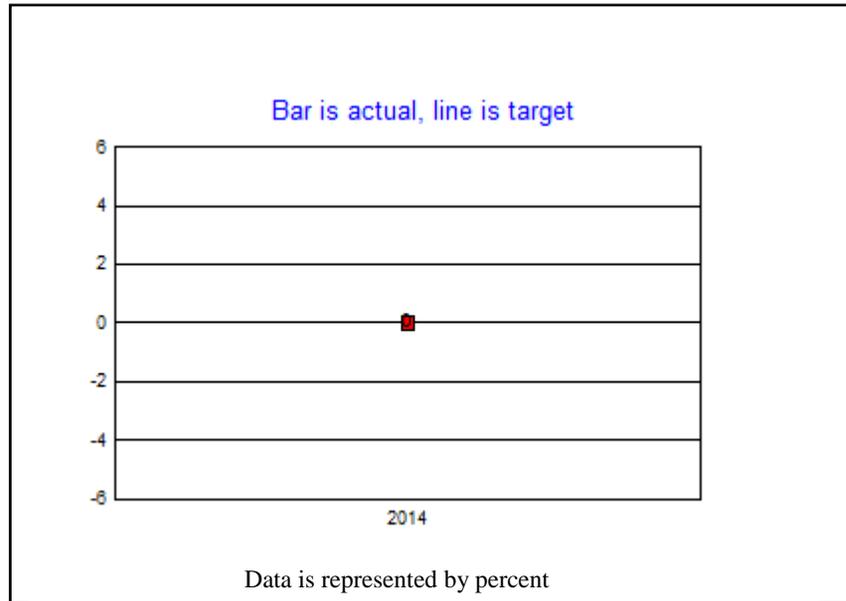
The shuttle is a cooperative transport system. Participating states and agencies must be willing to assist, support, and reciprocate actions to other agencies. The State of Oregon and its counties need to continue consistent and constant outreach, and extend cooperation and support to all shuttle participating states if the shuttle system is to continue operation. By doing so, the state will continue to reap the benefits of low-cost shuttle transports.

7. ABOUT THE DATA

Data is based on a July 1 to June 30 reporting cycle. For example, the data labeled 2013 reports on the period of July 1, 2013 to June 30, 2015.*

***Reporting stats are dependent on submission of information from counties. The 2013-15 stats reported are for the first three quarters of the 2013-15 biennium (July 1, 2013 through March 31, 2014.)**

KPM #4	NUMBER OF STATE CONTRACT AWARDS TO CERTIFIED MINORITY, WOMEN AND EMERGING SMALL BUSINESSES (MWESB):	2007
Goal	Provide outreach, education, consultation, and support services to Oregon certified Minority-owned, Women-owned, and Emerging small businesses (MWESB) to help them compete for and participate in state funded contracts. Provide guidance and education to state procurement personnel on the benefits and purpose of including outreach to MWESB firms for procurement offerings.	
Oregon Context	This measure aligns to the Governor's priority for Economic Stability. This measure does not align to any Oregon Benchmarks.	
Data Source	Oregon Procurement Information Network (ORPIN) and other applicable agency reports on contracting and internal records, statistics and reports.	
Owner	Economic & Business Equity -- Interim Director: Eloisa Miller, 503- 986-6526	



1. OUR STRATEGY

Provide support services, training and information to Oregon certified Minority-owned, Women-owned, and Emerging small businesses. Establish and maintain positive relationships with certified businesses, prime contractors, project managers, community advocacy groups, procurement staff, business and minority chambers via meeting participation and being a ready resource. Services include: Provide outreach and networking opportunities for potential and currently certified firms; advocate for legislation that supports MWESB firms; notify certified firms of contract opportunities; and consult with vendors to offer business counseling, technical support, and advice. Provide in-depth training and education to Oregon small businesses regarding programs and opportunities available to them through the state, to help support their growth.

2. ABOUT THE TARGETS

Governor's Executive Order 12-03 directs 21 state agencies, and encourages all agencies to participate, to establish aspirational targets for contract awards to certified minority-owned or women-owned firms and report quarterly results to our office. A target is a state agency's potential to contract with certified minority-owned or woman-owned firms, and is a performance measure each agency has determined by numerous factors. The agency reviews upcoming potential contracts to be let for bid and the types of work and subcontract work contained within those contracts. The agency then determines relative availability of certified firms within their geographical region available to perform those scopes of work. Since aspirational targets are based on anticipated trends and economic forecasts, there may be variances between targets and actual achievements over time.

3. HOW WE ARE DOING

The Office of Economic & Business Equity works internally with state agencies and engages with external stakeholders: small businesses, large firms, governmental entities, nonprofit organizations, technical service providers, community advocacy groups, and business and minority chambers throughout the state. The Governor's Marketplace is our annual spring event where procurement personnel, agency administrators, and large firms are brought together with Oregon small businesses for educational workshops focused on contracting with the State of Oregon and governmental agencies; approximately 500 attendees were present. The "Governor's Marketplace Roadshow" continues to evolve to provide similar educational information to rural Oregon businesses. Numerous state agency representatives, and both public and private sector providers, have partnered in these support efforts. Our office has provided leadership and coordination to move forward with technology support for certified firms; Business Oregon now provides an online application to improve the process. The dial continues to move as the Office of Economic & Business Equity continues to bring solutions to barriers identified.

In conjunction with the Governor's Diversity & Inclusion Office, the Diversity & Inclusion Agency Kitchen Cabinet was formed. Quarterly, our 26 largest agency heads meet with our two offices to A) focus on internal hiring practices and succession planning and B) to provide a leadership forum to reinforce the importance of contracting with state certified firms, identify internal barriers, and initiate leadership discussions to further support certified firms' state

contract participation. From this group, agency heads have designated a staff member to participate in a Procurement Advisory Team. This group meets regularly to discuss best practices for contracting with certified firms, facilitate on-the-ground conversations to identify barriers, and clarify statute authority.

4. HOW WE COMPARE

There are no known comparators.

5. FACTORS AFFECTING RESULTS

Increased insurance and bonding requirements continue to be barriers for certified firms to participate in state contracting. Many firms have indicated that certification is too lengthy of a process to consider, especially for those who continue to gain opportunities without certification. Procurement inclusion language is not included in all contracts where there is opportunity for subcontractors to work under the prime contract. Buyers also indicate that certified firms contacted are often non-responsive bidders.

6. WHAT NEEDS TO BE DONE

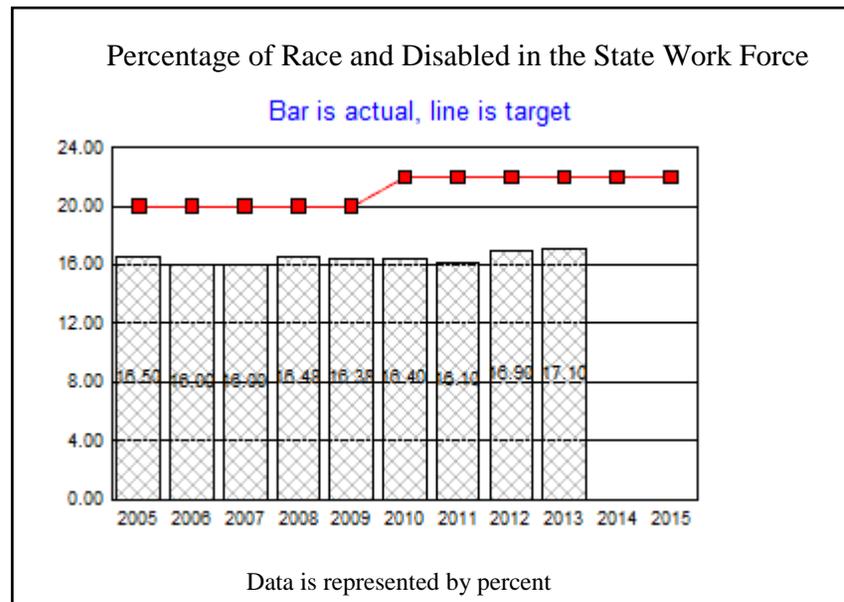
Partner with Business Oregon to develop training pertaining to certification. This will entail two monthly training sessions: Certification 101 for those just learning about certification and a second course that offers more information about next steps once the business is certified. Around the Aspirational Target setting, the Executive Order 12-03 did not provide a method for the state agencies to accurately calculate their individual targets. The Economic and Business Equity office will be working with a group to discuss and create a method of calculation as well as review the reporting template. Currently, ORPIN and Business Oregon Certification databases do not feed into each other. There are certain process improvements that can be made for the buyer if the two systems are connected. Buyer behavior largely impacts the utilization of certified firms, therefore, the processes need to be simple and efficient.

7. ABOUT THE DATA

* **2009** * Total Contracts Awarded - \$8,849,411,955; MBE/WBE Contracts Awarded - \$4,798,452; Reporting Agencies – 11; Agencies Awarding Contracts – 9; Total % Toward MBE/WBE Contracts - .05% --- * **2010** * Total Contracts Awarded - \$2,556,371,942; MBE/WBE Contracts Awarded - \$19,846,134; Reporting Agencies – 11; Agencies Awarding Contracts – 6; Total % Toward MBE/WBE Contracts - .78% --- * **2011** * Total Contracts Awarded - \$3,519,269,608; MBE/WBE Contracts Awarded - \$33,025,461; Reporting Agencies – 12; Agencies Awarding Contracts – 12;

Total % Toward MBE/WBE Contracts - .94% --- * **2012** * Total Contracts Awarded - \$2,523,496,452; MBE/WBE Contracts Awarded - \$11,180,702; Reporting Agencies – 21; Agencies Awarding Contracts – 15; Total % Toward MBE/WBE Contracts - .44% ---***2013*** Total Contracts Awarded - \$1,957,796,353; MBE/WBE Contracts Awarded - \$25,802,073; Reporting Agencies – 21; Agencies Awarding Contracts – 17; Total % Toward MBE/WBE Contracts – 1.32%

KPM #5	STATE HIRING - Number of protected classes being hired, promoted, and retained in state agencies.	2007
Goal	To create and sustain a diverse and representative state workforce, that is representative of the state's population demographics.	
Oregon Context	This measure aligns with the Governor's priority for embedding diversity and inclusion into the policy agenda and the state's service delivery system. Not attached to any benchmark.	
Data Source	Department of Administrative Services, Human Services Resources Division (DAS HRSD): Agency Statewide Workforce Data	
Owner	Governor's Office of Diversity & Inclusion/Affirmative Action, Frank Garcia, 503-986-6543	



1. OUR STRATEGY

To assist agencies in increasing the recruitment, placement, retention and promotion of the protected classes by providing strategies for a workplace environment that is diverse, inclusive, safe, stable, and accessible to achieve a quality state workforce that is representative of the state's population.

2. ABOUT THE TARGETS

This Key Performance Measure (KPM) is a reporting measure not a performance measure because the primary variables for each agency addressed in this report are not within the direct control of the Governor's Office of Diversity & Inclusion/Affirmative Action (D&I/AA). The D&I/AA primarily serves in an education, training, consulting, and monitoring capacity in the recruitment, placement, retention, and promotion of the protected classes for an improved culturally competent service delivery system. This KPM will report on three of the protected classes (women, people of color/race, and people with disabilities) being recruited, placed, retained, and promoted in state agencies.

3. HOW WE ARE DOING

Affirmative Action within the State of Oregon has experienced some success in the areas of recruitment, placement, retention, and promotion of women. There are considerable opportunities for progress, and agencies still have many areas to address. To build on these successes, agencies must continue to design and implement strategies that will support the values of diversity, inclusion, equity, and fairness. The Governor's Office of Diversity & Inclusion/Affirmative Action continues to work with state agency directors to understand and support the importance of diversity and inclusion at the leadership level by convening quarterly D&I Kitchen Cabinet meetings. The office continues to monitor complaints of discriminations against the state and evaluate recruitment, placement, retention, and promotion practices for challenging patterns and trends that may exist. ***2009*** Women – 18,391 (52.7%); Men – 16,520 (47.3%); People of Color – 4,429 (12.7%); People with Disabilities – 1,217 (3.5%); Total Employees – 34,911 ***2010*** Women – 19,042 (53.3%); Men – 16,677 (46.7%); People of Color – 4,702 (13.2%); People with Disabilities – 1,133 (3.2%); Total Employees – 35,719 ***2011*** Women – 19,289 (52.4%); Men – 17,554 (47.6%); People of Color – 4,898 (13.3%); People with Disabilities – 1,154 (3.1%); Total Employees – 36,843 ***2012*** Women – 18,996 (52.4%); Men – 17,244 (47.6%); People of Color – 4,945 (13.6%); People with Disabilities – 1,037 (2.8%); Total Employees: 36,240 ***2013*** Women – 18,274 (54%); Men – 15,527 (45.9%); People of Color – 4,917 (14.5%); People with Disabilities – 880 (2.6%); Total Employees: 33,801

Gender (Women): Women are continuing to increase its numbers in state government. Race (People of Color): People of color are continuing to increase its numbers in state government. People with Disabilities: Research has indicated that the decline of this sector is due to retirement of people with disabilities and employees who have chosen not to disclose their disability. The Americans with Disabilities Act (ADA) Workgroup, facilitated by Department of Administrative Services, Human Resources Management and Consultation (DAS, HRMC) created a statewide ADA Accommodation policy (policy #50.020.10), effective June 7, 2010, along with a toolkit to help agencies develop implementation procedures.

4. HOW WE COMPARE

We cannot compare to other neighboring states (Washington and California) in affirmative action and diversity initiatives because these states do not have affirmative action to track their recruitment, placement, retention, and promotion of the protected classes.

5. FACTORS AFFECTING RESULTS

Available Applicant Pool --- According to the "2004 Oregon Benchmark," Oregon's lack of diversity, both culturally and racially, creates significant challenges to recruit, place, retain, and promote the protected classes. However, according to the most recent U.S. Census Bureau data, Oregon's racial and ethnic communities are growing at unprecedented rates. The 2000- 2010 U.S. Census Data for growth include: 39.4% growth for Asian, 63.5% growth for Hispanic, 24.3% growth for Black, 17.7% growth for Native American, 68.1% growth for Pacific Islander, 41.3% growth for Other, and 38.2% growth for 2 or more races. There was 8.2% growth for White and its population represents 84% of Oregon's total population. Retirement --We will face a significant challenge over the next few years with a larger percentage of our more experienced workers becoming eligible for retirement. We stand to lose vital skills and system knowledge essential to the effective execution of state government because we are absent of clear and defined programs for succession planning. However, state agency leaders are working to identify and create strategies to build a state workforce and leadership that is representative of Oregon's population.

6. WHAT NEEDS TO BE DONE

The Governor's Office of Diversity & Inclusion/Affirmative Action Office believes that the following recommendations focus on current pressing needs to lay the foundation of a stronger commitment to champion the recruitment, placement, retention, and promotion of the protected classes. This will create an inclusive environment and establish programs and resources that strive to eradicate any existing discriminatory conditions or practices, whether intentional or unintentional. The Governor shows his commitment to Affirmative Action and Diversity & Inclusion initiatives through Executive Order 08-18. This executive order allows the State to approach diversity and inclusion intentionally, and identify tools to foster a culturally competent and responsive state workforce. **Diversity and Inclusion Agency Head Kitchen Cabinet:** A platform for agency leadership to develop, review, discuss, and identify leadership opportunities and programs for advancing and embedding diversity and inclusion throughout State of Oregon operations and culture, and organizational accountability. This will ultimately improve the outcomes of our business and service delivery system and culture of the organization so that Diversity and Inclusion becomes "turnkey" by employees and volunteers in policy, operations, and day-to-day activities. Improved outcomes will lead to improved trust and confidence by Oregon taxpayers, particularly historically underrepresented populations and those protected under Equal Employment Opportunity Law. The expected outcomes are: a leadership culture that fosters and embeds Diversity and Inclusion throughout the State of Oregon; an increased diverse and multi-cultural perspective throughout the State of Oregon system; improved business and service delivery outcomes; significantly increased certified firm contracting inclusion; improved individual and organizational cultural competence; organizational accountability; maximizing taxpayer dollars; and improved public confidence and community relations. **Sustainability in Employment:** Agencies need to incorporate sustainability into employment practices that supports the cultural shift toward responsibly managing agency's economic, environmental, and social impacts. Sustainable employment practices can lead to

demonstrate economic benefits that result from attracting desirable employees, reducing the turnover and sick time, improving overall productivity, and reducing costs. Agencies will benefit from enhancing their reputation and mission not only with employees but with its customers and communities they serve. Agencies must create and maintain a workplace that creates a balance between the agencies mission and the safety, health, emotional, personal, and financial needs of its employees. Agencies must understand the interest and needs of all of its employees. **Performance Management Process:** Agency heads are required to implement the Performance Management Process of ORS 659A.012 required to include in the evaluation of all management personnel, the managers or supervisors effectiveness in achieving affirmative action objectives as a key consideration of the managers or supervisors performance. The Department of Administrative Services (DAS) will continue to monitor agencies through an audit process every biennium. To recruit, place, retain, and promote people with disabilities is one strategy to counter the effects of the aging and shrinking workforce. This untapped labor pool can offer a source of skilled employees and can contribute to increased retention and reduced turnover. In 2007, there were approximately 336,337 people with disabilities and we currently employ 1,037. Employment of people with disabilities in state government has been on the decline. The data only includes those who have a visible disability and/or have self-identified as having some kind of disability. This group may also be double-counted. **Diversity Recruitment and Placement Strategies:** Agencies must aggressively improve their long term strategic objectives and goals in their recruitment, placement, retention, and promotion of the protected classes. This is critical to establish a more diverse and inclusive workforce. This can be accomplished through a variety of outreach efforts including: wide distribution of job announcements, brand recognition of oregonjobs.org, career fairs, internship programs, community partnerships (racial/ethnic communities, academic, faith-based, ethnic chambers, Tribes ethnic communities). **Retention and Promotion Strategies:** i. Job Rotation - Develop new skill sets to improve the State of Oregon service delivery system. ii. Management/Trainee Programs - Identifies and develops leaders within state government that can provide leadership within a multicultural workforce (i.e. Leadership Oregon). iii. Professional Development - Fosters employee growth and expands the agency's sustainability; enables employees to keep pace with workplace and technology changes, and employees are more productive and have greater job satisfaction. **Cultural Competency/Awareness:** Through Executive Order 05-01 and amendment in the Executive Order 08-18, cultural competency assessments are important, but budgetary constraints have provided agencies with challenges for implementation. State agencies are encouraged to collaborate with other agencies and use appropriate training and assessment tools to ensure cultural competency. Participation in the assessment and training will collectively move an agency towards a more inclusive workplace. **Diverse and Inclusive Environment:** This can be accomplished through a no cost or extremely low cost program. It is incumbent upon each state employee to take professional ownership for the diversity and inclusion discipline. The outcomes will be seen in the improved physical environment, organizational culture, service delivery, and regulatory oversight, but can also be seen in traditional performance-based measurements (i.e. workforce, contracts, appointments to volunteer boards and commissions). Some examples of effective strategies include: i. Youth Art on Loan (Oregon Youth Authority [OYA]) ii. Ensuring proper signage (e.g., disability, TTY, etc.) iii. Trainings (e.g., cultural competency/awareness, customer service, etc.) iv. Accommodations (e.g., amplified headset, specialized monitor, etc.) v. Physical structure (e.g., elevator, aisle space, etc.) vi. Utilization of the 5% bilingual differential vii. Translation services (e.g., language line, interpreters, etc.) viii. Development of employee resource groups.

7. ABOUT THE DATA

The data is based on the fiscal calendar year from June 30-July 1.* **2009:** Women – 18,391 (52.7%); Men – 16,520 (47.3%); People of Color – 4,429 (12.7%); People with Disabilities – 1,217 (3.5%); Total Employees – 34,911 * **2010:** Women – 19,042 (53.3%); Men – 16,677 (46.7%); People of Color – 4,702 (13.2%); People with Disabilities – 1,133 (3.2%); Total Employees – 35,719 * **2011:** Women – 19,289 (52.4%); Men – 17,554 (47.6%); People of Color – 4,898 (13.3%); People with Disabilities – 1,154 (3.1%); Total Employees – 36,843 * **2012:** Women – 18,996 (52.4%); Men – 17,244 (47.6%); People of Color – 4,945 (13.6%); People with Disabilities – 1,037 (2.8%); Total Employees: 36,240 * **2013:** Women – 18,274 (54%); Men – 15,527 (45.9%); People of Color – 4,917 (14.5%); People with Disabilities – 880 (2.6%); Total Employees: 33,801

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GOVERNOR'S OFFICE	III. USING PERFORMANCE DATA
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Agency Mission: The Governor's Office provides leadership and direction to state agencies that are in the Executive Branch. The Governor's Office includes: Program Area Policy Advisors (e.g., education, workforce, natural resources, jobs and economy, health care, labor and human services, public safety, transportation, and veterans), Executive Appointments, Public Affairs, Diversity and Inclusion, Economic and Business Equity, Extradition Services (for all law enforcement agencies), and Regional Solutions. The focus of the Annual Performance Progress Report is on the last four program areas. These program areas track performance measures, as detailed within this report.

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The following questions indicate how performance measures and data are used for management and accountability purposes.

1. INCLUSIVITY	<p>* Staff : For each program area that is addressed in this APPR, there is a different segment of the Governor's Office staff involved in the performance management process. This is necessary given the diversity of the programs addressed herein. Oversight is provided by the Chief of Staff.</p> <p>* Elected Officials: For each program area that is addressed in this APPR, there is a different but important relationship with elected officials with respect to program and performance management.</p> <p>* Stakeholders: For all program areas reported on herein, stakeholders are regularly engaged in the delivery of program services and have opportunities to engage in dialogue and other communications with the Governor's Office.</p> <p>* Citizens: In relation to the diversity of the programs addressed herein, the Governor's Office has different strategies and levels of direct citizen engagement by program area.</p>
2. MANAGING FOR RESULTS	The Governor's Office, through the four programs addressed in this report, regularly reviews performance management data to determine implications for annual work programs.
3. STAFF TRAINING	Staff responsible for tracking and reporting on KPMs attend trainings offered by DAS-Budget and Management whenever this is feasible.
4. COMMUNICATING RESULTS	<p>* Staff : For each program area that is addressed in this APPR, there is a different segment of the Governor's Office staff involved in the performance management process. This is necessary given the diversity of the programs addressed herein. Annual or biennial results are discussed within program areas, with stakeholders as appropriate, and general oversight is provided by the Chief of Staff.</p>

*** Elected Officials:** In relation to the diversity of the programs addressed herein, the Governor's Office has different strategies and levels of communicating results with elected officials by program area. The Governor's field staff are also empowered to share results through their interactions with elected officials. The Governor's Office also responds to other specific requests for information that are received from elected officials.

*** Stakeholders:** For all program areas reported on herein, stakeholders are regularly engaged in the delivery of program services and have opportunities to engage in dialogue and other communications with the Governor's Office on a variety of program management issues, including KPMs and performance management. For KPM 4 and 5, the data are gathered, analyzed, summarized, shared, and reported to stakeholders. Successes are highlighted but attention is also drawn to the challenges Oregon continues to see as we try to promote the State of Oregon as an "Employer of Choice." For Regional Solutions, information on customer service is shared with local government organizations such as Association of Oregon Counties (AOC) and League of Oregon Cities (LOC). The Governor's field staff are also empowered to share results through their interactions with stakeholders. The Governor's Office responds to other specific requests for information that are received from stakeholders.

*** Citizens:** Again, in relation to the diversity of the programs addressed herein, the Governor's Office has different strategies and levels of direct citizen engagement by program area.