

Charter

Utah Advisory Commission to Optimize State Government

"I will manage our state finances with the same discipline and frugality that is incumbent upon every individual and family...I believe what government we have ought to be well-run and efficient ... As Governor, I will lead the charge for government efficiencies in all we are tasked to do."

- Gov. Gary R. Herbert, First Inaugural Address, August 11, 2009

Background:

Utah State Government has a tradition of effective and efficient management. It is an \$11 billion enterprise that employs 24,000 people and impacts the lives of every Utahn. The current economic crisis, which is the longest, broadest and deepest in more than 50 years, has taken its toll on Utah families. More than 82,000 Utahns are out of work and the economy has been contracting.

State government finances mirror family and business finances. In response to the economic downturn, the Legislature has trimmed approximately \$1 billion from state funds, and further cuts will be necessary to balance the budget. Even after an 18% on-going base budget cut, state government will need to become increasingly more efficient and selective in its programs to meet critical state needs with existing revenue sources.

This task is made even more difficult because of the growing customer base of state government. Unlike most businesses that see a reduction of customers during an economic downturn, the clients of state government increase. Utah's population continues to grow at two-and-a-half times the national average, adding 58,225 more people in the past year. In addition, increasing enrollments (public and higher education), human service caseloads, travel on Utah roads, and increases in other government services place a significant strain on state finances.

Recognizing these needs, Governor Gary R. Herbert has formed the **Utah Advisory Commission to Optimize State Government**. The Commission, which is made up of business and community leaders who have managed both private and public entities in difficult economic times, will conduct a careful and thoughtful review of state government and submit recommendations to the Governor on how to optimize Utah state government.

Purpose and Mission:

The Utah Advisory Commission to Optimize State Government will review, assess, rethink and make recommendations to Governor Herbert on how to improve Utah state government. Commission members will be looking for ways to improve efficiency, enhance effectiveness and optimize performance. They will also identify areas where innovation and efficiency already exist, and explore ways to expand those measures. The Commission's work is voluntary, independent, and advisory.

Structure and Process:

The Commission will be governed by a chair and three vice-chairs. Their role is to organize and oversee the work of the Commission.

Former **Governor Norman H. Bangerter** will chair the Commission. In addition to serving for eight years as Utah's governor, Governor Bangerter served as Speaker of the House and has a long and distinguished career as a business and community leader.

Nolan Karras (prominent business leader and former speaker of the house), **Charlie Johnson** (business consultant; former Assistant Secretary and CFO of the U.S. Department of Health and Human Services; former state budget director; and chief of staff to a governor), and **Fraser Bullock**, (managing partner and co-founder of Sorensen Capital and former Chief Executive Officer of the Salt Lake Organizing Committee) will serve as vice-chairs to the Commission.

Commission Members

In addition, the following individuals will serve on the Commission:

Pamela Atkinson, Community advocate

Neal Berube, Executive Vice President for Associated Foods

Natalie Gochnour, Chief Operating Officer of the Salt Lake Chamber; former state chief economist; and deputy for policy and communication for a former governor

Ellis Ivory, Prominent Utah businessman

Gayle McKeachnie, Attorney, former Lt. Governor and state legislator

Steve Starks, Executive Vice President for Larry H. Miller Group

Lynne Ward, Director, Utah Educational Savings Plan; former state budget director; deputy chief of staff to a former governor; and deputy director of the state Division of Finance

Members from both the Utah House and Senate, as appointed by majority and minority leadership, will serve in an ex-officio role as liaisons between the Commission and the Utah Legislature. (Four members total).

Others will be asked to assist in selected components of this review.

Two-Phased Process

The Advisory Commission's work will comprise two phases:

- Phase One Includes an immediate, timely and targeted review of near term activities. This phase is expected to last 10-12 weeks and will aid Governor Herbert in his FY2011 budget recommendations.

- Phase Two Includes a more in-depth review, assessment and rethinking of state government activities and ways to improve the long-term effectiveness of state government. This phase is expected to take up to 12 months. The scope and people involved in the review will be refined on an ongoing basis. The Commission will formally involve others in this more in-depth review.

Principles:

The Advisory Commission has been asked to look at state programs in a common sense, independent manner. The Commission will explore ways to separate essential services from less critical, "nice-to-have" services and make recommendations accordingly. Commission members have met and agreed to the following principles that will guide their review:

- **Data driven** – The Advisory Commission will be guided by data as they review state government activities. As such, the Commission's review will be removed from emotional considerations.

- **Long-term focus** – Advisory Commission members will take a long-term perspective as they review government programs and services. As a starting point, the Commission will assess projected resources and needs over a five-year period and look for improvements now that will reap long-term benefits for the state.

- **Targeted** – The Advisory Commission will focus on areas where a reassessment can provide the greatest return to taxpayers. By its very nature, the work of the Commission will be limited and so the work must be targeted.

- **Independent** – Advisory Commission members are looking for ways to improve state government from the perspective of outsiders who also have knowledge

about the internal workings of state government. Recommendations will be made from an independent and experienced perspective.

- **Limited** – The Advisory Commission will make informed recommendations but recognize that policy decisions are not made by the Commission. It will be up to our elected leaders and the professional state government work force to implement approved recommendations and constantly improve state government.
- **Open** – The Advisory Commission will solicit and welcome input that will inform its process and deliberations.

Timeframe:

It is anticipated that the Advisory Commission will make its final written recommendations to the Governor in Fall 2010.