EXHIBIT 2
DATE 1-13-11
HB 2

REVIEW OF NEW OR EXISTING PROGRAM OR ACTIVITY

Department or Agency _____ **Program or Activity** _____

Criteria	Evaluation	Rating
Public Purpose: What is being addressed and what makes it important?	Does the program or activity have public value or meet a public policy objective? Is the public objective well defined? Does state government have to perform the activity? Should this be the responsibility of state government? Discretionary 1 2 3 4 5 Essential Service	
Authority: What is authorized and how?	Is this activity in accord with the mission of this agency? Is this a mandated program (constitution, statute, or federal government)? Is this the appropriate agency to engage in this activity? Are there policies established by law, regulation, or the constitution which govern how the program or service is to be delivered? Are there activities that were never authorized or do activities exceed what was authorized? Not Specifically Authorized 1 2 3 4 5 Constitutional Mandate	
Customers: Who and how many are served?	Is there a readily identified customer base? Who are the customers? How many customers are served and how has that changed over time? Is receipt of service tied to eligibility criteria (income, etc.)? Undefined Customer Base 1 2 3 4 5 Well defined Customer Base	
Efficiency: Is it a good use of resources?	What resources are required (staff, equipment, regional offices, automated systems, etc.) and do they already exist in the agency? How has spending changed over time? Are the reasons for changes apparent? Does spending match the budget or is there a pattern of reversions? How have services to the customer base changes? Are the services remaining within the authorized scope of the program? Has there been a funding change over time to GF from another source? High cost of provision (with or without comparison to other program)? Low Return on Investment 1 2 3 4 5 Good Use of Resources	

REVIEW OF NEW OR EXISTING PROGRAM OR ACTIVITY

Department or Agency _____ **Program or Activity** _____

Criteria	Evaluation	Rating
Effectiveness: Is it working?	Are the needs being addressed by the program based upon reliable data? How have services to the customer base changed? If a new program, can success be measured? Low Success Rate — High Success Rate 1 2 3 4 5	
Outcomes: What are the advantages of doing this and the consequences of not doing this?	What are the results or outcomes of the program? What results would citizens expect from this program/activity? Are definitions of success nebulous or difficult to measure? Are there corollary impacts on other programs or services and to what extent? Is the program or activity subject to regular review? What are the expenditure history and trends? What does performance measurement tell us? Are there measurable results that demonstrate that this program/activity fosters increased private sector economic growth? Does Not Meet Expectation — Meets expectations — Exceeds Expectations 1 2 3 4 5	
Alternatives: Are there less expensive or more effective ways to providing this program or activity?	Is this function available from other governmental or nongovernmental activities? Do other entities, public or private, carry out similar functions and already have the required resources in place? Are there alternatives to funding the program? Do service recipients have other options to get the service or one similar? Is the state subsidizing what could or should be self-supporting/lower subsidy? Are there IT options that can make the program or activity more efficient? No Alternatives Exist — Alternatives Exist 1 2 3 4 5	

Other Notes:

Priorities: Which programs or activities are the most productive and useful toward meeting public policy objectives? *(If resources needed to fund desired programs and activities, then it may become a question of "priority".)*

- *What programs provide the most "bang for the buck"?*
- *What would be the consequences of not funding or terminating the activity?*