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2 NEW YORK CITY Charter Revision

3 Charter Revision

4 COMMISSION

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6 EXPERT FORUM

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11 April 4, 2005

12 4 p.m.

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14 Hunter College

15 695 Park Avenue

16 West Building

17 8th Floor

18 New York, New York

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21 New York City Charter Revision

22 2 Lafayette Street

23 14th Floor

24 New York, New York 10007

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1 a P P E a R a N C E S:

2

3 Dr. Ester R. Fuchs, Chair

4 Dr. Dall Forsythe, Vice Chair

5 Stephen J. Fiala, Secretary

6

7

8 Robert Abrams

9 Amalia Victoria Betanzos

10 Stephanie Palmer

11 Curtis L. Archer

12 Dr. Lilliam Barrios-Paoli

13 Anthony Crowell

14 David Chen

15 Dr. Mary McCormick

16 Jennifer J. Raab

17 Stanley E. Grayson

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1 S T I P U L A T I O N S

2 IT IS HEREBY STIPULATED AND AGREED by
3 and between the attorneys for the
4 respective parties herein that the
5 sealing, filing and certification of the
6 within examination before trial be
7 waived; that all objections except as to
8 form are reserved to the time of trial.

9 IT IS FURTHER STIPULATED AND AGREED that
10 the transcript may be signed before any
11 Notary Public with the same force and
12 effect as if signed before a clerk or a
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14 IT IS FURTHER STIPULATED AND AGREED that
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17 the CPLR.

18 IT IS FURTHER STIPULATED AND AGREED that
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22 controlling with respect hereto.

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1 IT IS FURTHER STIPULATED AND AGREED by
2 and between the attorneys for the
3 respective parties hereto that a copy of
4 this examination shall be furnished,
5 without charge, to the attorneys
6 representing the witness testifying
7 herein.

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1 CHAIR FUCHS: Good
2 afternoon, everyone, I would like to
3 welcome you to our expert forum
4 part of this afternoons
5 Charter Revision Commission
6 session.

7 I am the Chair of the Charter
8 Revision Commission. My name is
9 Ester Fuchs.

10 With us on the panel for the
11 moment are members of the
12 Commission: Amalia Bentanzos, Dall
13 Forsythe, Robert Abrams, Mary
14 McCormick.

15 I'm hoping all of you will stay
16 for the public hearing part of our
17 session this evening and I will
18 provide a little more detail to you
19 about the membership of our
20 esteemed commission.

21 The topic this afternoon is
22 Operational Efficiency and
23 Accountability.

24 I don't have to tell everyone
25 in this room this is an extremely

1 important topic and we have asked
2 this distinguished group to testify
3 before us today.

4 We will begin as I said this
5 part of the evening with this
6 expert forum and at 6 p.m., we will
7 begin our public hearing.

8 At the expert forum, members of
9 the expert panel are invited to
10 make their statements. And I'm
11 going to ask everyone to speak and
12 then we'll ask the Commissioners to
13 address their questions to either
14 the whole panel or to individuals
15 on the panel.

16 And this expert forum was --
17 the members were invited, as I
18 said, to engage in a very broad
19 based discussion about how we can
20 improve operational efficiency and
21 accountability.

22 However, we are really looking
23 at it as directly in its
24 relationship to the Charter. And
25 they are sharing thoughts, some of

1 which were raised by the testimony
2 of Myrna Ramon from the Mayor's
3 Office of Operations in February
4 9th.

5 We are, as I said, particularly
6 fortunate to have this group of
7 panelists with us today and it is
8 my pleasure to introduce you to the
9 members of the panel.

10 On your right is Greg Brooks.

11 Greg Brooks is New York City's
12 Deputy Controller for Policy Audit,
13 Accountancy and Contracts. He
14 serves as the Comptroller's
15 representative to the New York City
16 Audit Committee and as a board
17 member of the New York City
18 Financial Information Services
19 Agency.

20 Before assuming his position in
21 the Controllers Office, Mr. Brook
22 was Executive Assistant Chief of
23 Staff to Brooklyn Borough
24 President, Howard Golden and before
25 joining Borough President Golden's

1 staff, Mr. Brooks also held
2 position in the New York City
3 Transit Authority, New York City
4 Controllers Office of the Mayor's
5 office and the Office of
6 Management and Budget.

7 Mr. Brooks has an M.P.A. Degree
8 from N.Y.U. and a Masters of Arts
9 in English from Hunter College and
10 a Bachelor of Arts from CUNY at
11 Plattsburg.

12 You certainly cover all ground
13 here. I don't think there is
14 anybody that you have not either
15 worked for or any school you have
16 not attended where some of the
17 people teach.

18 So, that, you know, I guess you
19 are going to win the price at the
20 ends of this expert forum.

21 And I should also add now we
22 are particularly happy to be here
23 today at Hunter College and the
24 courtesy of one of our members,
25 courtesy of Jennifer Raab, who will

1 be joining shortly.

2 Next to Greg Brooks is Barbara
3 Cohn Berman, she is the Vice
4 President of the Fund for the City
5 of New York. The fund of course
6 was gracious enough to lend Mary
7 McCormick to us as a member of the
8 Charter Commission. And Mary, of
9 course, recommended that on this
10 issue we speak to Barbara.

11 Barbara runs the National
12 Center for Civic Innovation and the
13 International Institute for
14 Community Solutions at the fund.

15 Some of you may know the Fund
16 is an independent operation
17 foundation established by the 4th
18 foundation in 1968 to be responsive
19 to problems in New York City and to
20 seek opportunities to improve the
21 performance of government and the
22 quality of life for its citizens.

23 Prior to joining the Funds,
24 Barbara served in several
25 governmental positions and taught

1 about graduate course at N.Y.U. and
2 the State University of New York.
3 She did her undergraduate work at
4 N.Y.U. and graduate work at
5 Brooklyn College and the New School
6 for Social Research. She was a
7 Loeb Fellow at Harvard University
8 and is the author of two important
9 studies relevant to this topic,
10 'How Smooth Are New York City
11 Streets?' And 'Forthcoming:
12 Listening to the Public, Adding the
13 Voices of People to Government
14 Performance Reporting.'

15 Next to Barbara is James
16 Fountain Junior. Jay Fountain is
17 a consultant in financial and
18 performance management for
19 government. He recently retired
20 as Assistant Director of Research
21 for the Governmental Accounting
22 Standard Board, that's GASB, for
23 those of you who know. And if you
24 do not know, I'm not going to
25 explain it to you, in Norwalk,

1 Connecticut. Jay's projects while
2 at GASB included involvement in
3 financial reporting models, capital
4 assets use and service potential
5 reporting and economic condition
6 reporting.

7 He is currently under contract
8 at GASB and is working on a major
9 project on reporting performance
10 information which includes a
11 development in publication and of
12 an experimentation with criteria
13 for effective communication of
14 performance information.

15 This is a very, very important
16 field and something I know that we
17 owe a large debt to Jay Fountain
18 for, in a sense, almost creating
19 and nurturing from its inception.

20 Prior to joining GASB, Jay
21 spent many years in local
22 government in both Dallas, Texas,
23 Fulton County Georgia, Atlanta. He
24 holds degrees in accounting and
25 M.B.A. from the University of

1 Florida and in public
2 administration from Georgia State.
3 He served on many national and
4 state projects involving the issue
5 of performance measures.

6 Dennis Smith, next to Jay
7 Fountain.

8 Dennis Smith, I don't know if
9 you taught everybody in this room;
10 but it is possible that you have.

11 He is currently an associate
12 professor of public policy and
13 teaches Evaluation and Comparative
14 Federalism in that program. He is
15 conducted research on performance
16 management of public and nonprofit
17 agencies and has written widely on
18 the problems of measuring the
19 success of reforms in public sector
20 organizations.

21 Professor Smith's work has been
22 published in several journals
23 including the public administration
24 review, urban affairs quarterly,
25 public administration and

1 development in the city journal.
2 His analyst of Com Stat written
3 with former N.Y.P.D. Commissioner
4 William Bratton appeared in a book
5 that happens to have been edited
6 by Dall Forsythe a member of our
7 Charter Commission -- anybody
8 getting a pattern here -- and it is
9 called, Managing UNCIVPOL: The
10 potential of performance management
11 in international public service.
12 He also wrote a piece in another
13 edited volume called, Rethinking
14 International Organizations
15 Pathology and Prompts, that is a
16 very dangerous title. He is
17 directed the program in public
18 administration for nine years at
19 N.Y.U. and spent two years as its
20 associate dean.

21 Thank you for being with us
22 this evening.

23 And finally Jack Ukeles or
24 Jacob Ukeles as people think of him
25 who do not really know him that

1 well. He is the President of
2 Ukeles Associates. A policy
3 research planning and management
4 consulting firm for the voluntary
5 sector and local government and he
6 is spent the past 18 years in that
7 capacity and has developed over one
8 hundred projects and has been
9 involved in 30 communities and
10 countries looking at the issues
11 that we will be addressing this
12 evening.

13 In the 1980s, Jack was
14 executive director for Community
15 Services of New York's Jewish
16 Federation. And in the 1970's, he
17 was an active participant in the
18 successful efforts to restore New
19 York City's financial and
20 managerial health after the fiscal
21 crisis. He was executive director
22 of the Mayor's management advisory
23 board and deputy director of the
24 office of operations and deputy
25 director for the City of New York

1 and deputy director of the
2 emergency financial control board.

3 And during that time, he
4 developed the first mayors
5 management report. And if people
6 take something away from this
7 Charter Revision Commission today,
8 the most we can be doing is
9 setting the historical record
10 straight and I think giving credit
11 where credit is due to an
12 extraordinary accomplishment for
13 the City of New York and one in
14 which we are tweaking all the time
15 that really built on his
16 foundation, which is the Mayor's
17 Management Report.

18 He also wrote the Executive
19 Order, creating the New York City's
20 office of operations, which is also
21 an extraordinary achievement and
22 something I think that we all
23 depend upon in ways thick and small
24 that most of us do not even
25 realize.

1 He served as Chair of New York
2 City Rent Guidelines Board. And
3 1960's, he served in various
4 positions of New York City Planning
5 Department. He is an author and
6 educator as well. He is founding
7 chair and professor of Urban
8 Affairs and Policy Analyst at New
9 School University, which use to be
10 the New School for Social Research
11 and taught at the University of
12 Pennsylvania and Columbia.

13 He is also the author of a very
14 important book that seems to never
15 be dated and should never go out of
16 print, 'Doing More With Less,
17 Turning Public Management Around.'

18 He was a Fulbright Fellow in
19 India he earned a Masters in City
20 Planning and a Ph.D. from
21 University of Pennsylvania.

22 I can not begin to thank all of
23 you for attending tonight and for
24 sharing your expertise with us.

25 This is, I believe, a very

1 important part of the mission of
2 the Charter Revision Commission and
3 we are really delighted to have you
4 with us tonight.

5 I would like to begin remarks
6 with Greg Brooks.

7 MR. BROOKS: Thank you.

8 CHAIR FUCHS: And you should
9 take the mike and move it closer to
10 you.

11 MR. BROOKS: And thank you,
12 chairperson Fuchs and members of
13 the Commission and Terry Matthews.
14 It is a pleasure to be here today
15 to speak on this very important
16 subject that you are considering as
17 you look at ways to improve the
18 City Charter.

19 One thing I want to be clear
20 about is that I believe a prime key
21 in ensuring agency efficiency and
22 accountability is transparency.
23 That the more transparent our
24 government is, the greater
25 likelihood we have of achieving

1 these goals.

2 Agencies become more responsive
3 to the citizenry they work for when
4 their actions are open and
5 available to the public.

6 I will digress for a moment and
7 have an unpaid political
8 announcement that I want you to
9 also understand that the
10 Comptroller's audit function is a
11 tool which keeps agencies
12 accountable.

13 The fact that they are
14 monitored and evaluated by an
15 independently elected official with
16 complete access to books and
17 records, creates a dynamic tension
18 that breathes a healthy government.

19 Having been in charge of that
20 audit function for the past three
21 years, I have to say working with
22 the agencies and with the city
23 administration has been a pleasure
24 and we have proven that together we
25 can find ways to improve

1 government.

2 The controller not only audits
3 the finances of city agencies, its
4 office also performs important
5 management audits, which evaluate
6 agency performance in areas
7 throughout the city.

8 In looking at the testimony and
9 in looking at documents that you
10 have considered over the past
11 weeks, it is clear that the Mayor's
12 Management Report is critical to
13 ensuring accountability and
14 efficiency. And I want to spend a
15 little bit of time looking at some
16 of the issues surrounding that
17 report.

18 This is a report that publicly
19 presents data that announced to all
20 how agencies are measuring up in
21 achieving their goals.
22 Understanding how important this
23 report is to city accountability,
24 the controller in February 2002
25 issued a report titled, 'How Are We

1 Doing? Enhancing Accountability
2 Through The Mayor's Managements
3 Report.' We were pleased when the
4 Mayor's Office of Operation
5 incorporated a number of
6 recommendations from the
7 controllers reports in the
8 reformulation of the M.M.R.

9 Our common concern today is
10 improved transparency through the
11 M.M.R. I'm concerned that the
12 Office of Operation's stated charge
13 in revising this report has been to
14 report -- and I'll put it in
15 quotes, "Results that matter."

16 In reviewing previous
17 testimony to this Commission, I'm
18 concerned that operations has
19 interpreted this to mean reporting
20 fewer results.

21 The overall number of published
22 indicators appearing in the M.M.R.
23 has decreased from 2,606 in
24 September of '02 -- only a
25 controllers office would count

1 those indicators -- to 1,519 in
2 September 04.

3 For purposes of public
4 accountability, it is important not
5 to limit too closely the amount and
6 type of information disclosed based
7 on what any of us thinks the public
8 will want to know.

9 In some instances the current
10 administrations chosen to report
11 new indicators at the expense of
12 old ones. The most glaring example
13 is the copy that's been devoted to
14 the 311 system in September '04
15 volume. Two-hundred and fifteen
16 out of the two-hundred and nineteen
17 indicators, sixteen percent sought
18 and rank public queries to the 311
19 system. I view this at best as a
20 soft indicator of the quality of
21 city services.

22 I think the 311 system was
23 extraordinarily, innovative. I
24 think it's a tremendous asset to
25 the people of the City of New York.

1 However, I am concerned that we
2 not consider it a source of
3 indicators that the public feels
4 are important.

5 Additionally, what we can say
6 about the 311 system is that in
7 some areas, people may think that
8 street lights being out is
9 important. In other areas, they
10 may consider human services
11 important.

12 And I would hate to see certain
13 indicators drop based upon queries
14 to the 311 system. Not everybody is
15 as facile with that system and not
16 everybody is as sophisticated as to
17 what it means by calling that
18 system. And I would be concerned
19 that relying on it for our M.M.R.
20 goals and indicators could in fact
21 skew results.

22 While much consultated effort
23 by the Office of Operation's has
24 gone into clarifying agency goals,
25 there remains much work that needs

1 to be done in this area.

2 I'll give you an example of
3 D.O.T. potholes, this is a good
4 time and season to remind us of
5 potholes. This was subject of a
6 controllers audit. Without going
7 into the problems the agency had
8 with its system to repair potholes,
9 the controller took issue with the
10 way the agency presented its
11 pothole repair benchmarks in the
12 M.M.R. Its goal was to repair 65
13 percent of potholes in 30 days.
14 Well, that sounds laudable on the
15 face of it; but when thinking
16 logically, one has to question why
17 the remaining 35 percent are not
18 important.

19 In other words, if D.O.T. is
20 fixing the 65 percent in 30 days,
21 it's reached 100 percent of its
22 goal.

23 But what does it mean to the
24 other 35 percent that maybe taking
25 90 days or 180 days or over as we

1 demonstrated in our audit on this
2 matter.

3 In its remarks to the
4 Commission, Operation site several
5 times concern for the prescriptive
6 nature of the Charter provisions
7 governing the M.M.R. as being in
8 conflict with the goal of
9 accountability.

10 First my reading of the Charter
11 language does not find it too
12 prescriptive.

13 In fact, I would recommend
14 establishing a mechanism to assure
15 that future M.M.R.s include key
16 indicators that future
17 administrations may wish to drop
18 for various reasons.

19 The language of the Charter
20 must be prescriptive or include a
21 mechanism that ensures that M.M.R.s
22 adhere to standards of
23 accountability that transcend
24 particular mailenties.

25 Finally, by using technology to

1 report the M.M.R. has been
2 important. It should not
3 substitute for production and
4 distribution of traditional paper
5 versions of the report, it is
6 important bear in mind that while
7 increasing numbers of New Yorkers
8 have computers and Internet access,
9 only the most sophisticated systems
10 can load and scroll through the
11 M.M.R. with enough speed not to
12 make it a study in frustrating.

13 We also have to always ensure
14 that those who cannot afford
15 computers at home or those who are
16 not sophisticated enough to use
17 computers, are actually
18 technologically illiterate, will
19 always have access to the
20 information provided in the Mayor's
21 Management Report.

22 Thank you.

23 CHAIR FUCHS: Thank you very
24 much.

25 Barbara Cohn, please.

1 MS. COHN: Thank you and
2 Good afternoon.

3 Chairperson Fuchs and members
4 of the Commission, thank you for
5 asking me to be here today.

6 (Whereupon, Commissioner Ms.
7 Lilliam Barios-Paoli, enters the
8 hearing.)

9 CHAIR FUCHS: Excuse me I
10 just want to welcome Commissioner
11 Lilliam Barios-Paoli who has just
12 joined us.

13 MS. COHN: I have read your
14 two documents the summary of issues
15 and the transcript of the February
16 9th meeting including Myrna
17 Ramon's comments. And I'll be
18 happy to answer any questions you
19 may have and also tell you about
20 the work of our Center on Municipal
21 Government Performance that may be
22 relevant to your inquiries and I
23 think my other colleagues will not
24 discuss.

25 But first, I just need to

1 clarify something. I am the
2 director of the Center of Municipal
3 Government Performance at the Fund
4 for the City of New York and that
5 center transcends our sister
6 organizations the Natural Center
7 for Civic Innovation and
8 International Institute for
9 Community Solution.

10 But I do not head those
11 organizations, Mary McCormick is
12 the President of all three of those
13 organizations, just to clarify that
14 introduction.

15 I'd like to say before I get
16 into what we are doing, I would
17 just like to make a couple of
18 comments.

19 First of all, your summary of
20 issues document, I just need to say
21 is so well written and so clearly
22 extracts critical information, on
23 such complex matters that I just
24 wanted to mention that if no one
25 else has and congratulations to you

1 and your staff, I know how
2 difficult it is --

3 CHAIR FUCHS: Thank you very
4 much and it is an opportunity to
5 thank our executive director, Terry
6 Matthews, for her incredible work
7 on this and making sure that
8 everybody pulled together to put
9 that document together.

10 MS. COHN: It is really a
11 superb job and I just marveled as I
12 was reading it.

13 Also, I want to say the changes
14 that this administration is making
15 to the M.M.R and I may be
16 disagreeing here with my colleague
17 panelist under Susan Kupferman's
18 leadership I think are excellent
19 and should be supported, applauded
20 and continued both on visual effect
21 and I would say to reduction on
22 size and certainly more pointed to
23 the relevant content.

24 So, I think it is a step in the
25 right direction.

1 Third, I just want to mention,
2 it is a personal observation; but
3 it is very relevant I was in city
4 government before and after the
5 Revision to the Charter in -- in
6 the 1970s were implemented and I
7 was running a very large agency,
8 deputy Commissioner in charge of
9 rent control and the City was
10 running rent control, an
11 organization with nine hundred
12 people, a field office, large staff
13 of attorneys, accountants,
14 researchers, clerical personal all
15 working in a highly visible and
16 contentious environment.

17 The organization had a long,
18 long history of producing regular
19 operating statistics daily weekly
20 monthly and annually the staff was
21 conditioned to keep reducing them,
22 not happy and I certainly was not
23 interested in changing what was
24 being reported or in reading them.
25 I think -- I'm not sure that anyone

1 other than myself even looked at
2 them.

3 I can not tell you how helpful
4 it was to me to have the new
5 charter mandate to reinforce my
6 interest in streamlining and
7 reformulating what data we needed
8 to collect and report about and how
9 that data could help drive
10 improvement and performance, the
11 structural that my colleague Ukeles
12 set up made sense and enabled me to
13 manage that agency more efficiently
14 and effectively; because there was
15 a city wide mandate to develop and
16 report on performance measurement.
17 I never could have done it without
18 that mandate and really without the
19 way that Jack construed it.

20 I had a similar experience
21 when I was named later in the 1980s
22 as Deputy City Personnel Director
23 to start a new bureau of personnel.
24 I was a support person in the
25 department of personnel and for

1 reasons I never understood, it
2 considered itself exempt from the
3 M.M.R. requirements, I did not
4 agree and I formed that new bureau
5 with an operating plan and
6 performance measures built in from
7 the start.

8 That helped everyone budget
9 people, staff, agencies, our
10 consultants and most important
11 perhaps the very employees we were
12 serving. It helped them understand
13 what they could expect from us what
14 we were committed to deliver in
15 ways of service and it kept us
16 accountable. I could not have set
17 up that system without the mandate
18 and the Charter.

19 No one in that department would
20 have supported such an approach.
21 So, as you think about making the
22 present system less prescriptive,
23 I'm not sure really what you are
24 thinking about and I could not tell
25 from Myrna's comments what she had

1 in mind. Please, do not forget the
2 salutory effect that this mandate
3 has for managers.

4 As to the questions you pose of
5 course, no one would disagree with
6 the possibility of facilitating
7 efficient and effect delivery of
8 municipal services through
9 technology.

10 It is not clear through the
11 documents how the Charter inhibits
12 pursuing this direction. However, I
13 could see the possibility that some
14 data are or could be available
15 through real time through various
16 technological innovations, perhaps
17 -- I don't know, for example
18 results of inspections entered in
19 the handheld computers in the field
20 and transmitted wirelessly and
21 immediately through a simple data
22 base, which will be summarized and
23 results will be produced on a daily
24 basis online without having to wait
25 for hardcopies in six months or a

1 year.

2 I don't know if that type of
3 innovation requires a charter
4 change; but it certainly you should
5 be encouraged as long as the
6 accuracy of the data is accurate.

7 And speaking of accurate data,
8 we did testify before the last
9 Charter Revision Commission in
10 favor of eliminating the
11 preliminary requirement for the
12 preliminary Mayor's annual report.

13 One of our arguments for this
14 change was to free up some of the
15 time of the staff of the Mayor's
16 Office of Operation, which is
17 subject as all agencies are to
18 budget restrictions and funding
19 limitations. So that they could do
20 more auditing of agency data among
21 other things instead of being
22 consumed by preparing for and
23 writing and cleaning up after the
24 the two required reports, which
25 seems to be the case.

1 You say that you are interested
2 in looking at how the various
3 reports the City is required to
4 produce can be relevant to a wide
5 range of users. I know others are
6 going to be talking about all
7 the reports on that list.

8 So, let me just say that here
9 some of the work of our Center of
10 Municipal Government performance is
11 relevant. I can not go into all the
12 work that is involved; but let me
13 tell you about two related
14 findings.

15 We found through focus group
16 and other morbid research that
17 people judge government performance
18 in ways that that people of the
19 general public are often different
20 from the way that government often
21 judges itself and relevant to this
22 topic reports ability the
23 performance as well. Some
24 examples may suffice to give you
25 the idea by enlarge people form

1 judgments about government through
2 their personal experience, not by
3 what they read in the newspapers or
4 in reports unless the reports
5 comport in some way with their
6 interests and standard.

7 People are interested in the
8 quality of work performed and it's
9 timelessness and the courtesy
10 extended to them by city employees
11 and the extent of a city
12 representatives knowledge of the
13 subject a person is inquiring about
14 or needs help with; but people are
15 not interested in government
16 functioning in general and one
17 information from their government
18 with explanations that make sense
19 to them.

20 Also people do not see
21 government -- sometimes that's a
22 bit of a conundrum; but people do
23 not see government in terms of
24 agency jurisdiction, which is the
25 way all governments currently

1 report on their performance --
2 repair people see connections among
3 agency functions.

4 For example, how all the
5 visible conditions on the street
6 are maintained. They don't -- we
7 don't walk through the streets and
8 say, Owe, the Department of
9 Environmental Protection are doing
10 well today and the D.O.T. is not
11 and the police department is fair
12 and -- people do not do that
13 either. They are also concerned
14 with how children are treated in
15 school by the conditioning of their
16 playground, the presence of after
17 school programs, protection from
18 abuse, child health programs and so
19 on.

20 Many different agencies are
21 responsible for that list.

22 So, if the indicators move in
23 the direction of people's interest
24 and concerns, reports may well
25 receive more attention.

1 My last set of points relates
2 to a national demonstration grant
3 program we are running to see how
4 27 different cities, counties,
5 states and other government
6 entities can apply the 16
7 suggestive criteria for reporting
8 performance that GASB that Ester
9 refused to identify and I will not
10 even try; because my colleague to
11 my right will explain it -- under
12 the leadership of J. Fountain has
13 promulgated -- and I think that Jay
14 has copies of these 13 criteria,
15 which you may or may not have
16 already seen.

17 In this three year
18 demonstration grant period which is
19 now in its half way mark, we are
20 encouraging grantees to take
21 special note of criteria's three
22 and ten and I would just like to
23 read those to you they are very
24 brief: One, criteria three says
25 report should include discussion of

1 involvement of citizens. I'm
2 emphasizing that, elected
3 officials, management and employees
4 in the process of establishing
5 goals and objectives for the
6 organization and number 13 is --
7 yes citizen and customer
8 perceptions of the quality and
9 results of major and critical
10 programs and services should be
11 reported when appropriate.

12 Involving the public in
13 performance measurement and
14 reporting has been a new experience
15 for these government entities. It
16 is not common practice for
17 government anywhere really to
18 consult with a randomly selected
19 swat of the public in a
20 non-confrontational way to just
21 hear, to listen to what people are
22 interested in and what to
23 understand better.

24 Here are some of the findings
25 of these grantee government so far.

1 First, a traditional performance
2 reports and now many places all
3 over the country are producing
4 these reports, which New York City
5 was a leader in the 1970s do not
6 involve the public in than
7 conceptualization and the public
8 does not provide feedback or is
9 there an avenue for public
10 feedback.

11 So, When these grantees under
12 our prodding have actually asked
13 the public in various focus groups
14 and other ways people are saying
15 actually that they are not
16 interested and many of the
17 indicators commonly used in these
18 performance reports.

19 In fact, there is one group of
20 focus groups on the west coast
21 which actually started to develop a
22 well meaning chant at these series
23 of meetings and the chant was, Who
24 cares and so somewhat.

25 However, they are not

1 uninterested in government and what
2 government is doing.

3 So, as a result of the reaction
4 they are getting from the public,
5 these grantees are looking at new
6 ways to report to the public about
7 how their government is performing;
8 because they are learning these
9 reports tend to include things that
10 is government managers or auditors
11 and -- excuse me for saying it and
12 its company are interested in; but
13 not the public's interest and
14 everyone the GASB criteria and our
15 standards that we have all been
16 involved in producing reports in
17 government may meet the needs of
18 legislators, auditors and is
19 accountants; but another version
20 maybe needed for the public and
21 some places are pursuing that tact
22 now of producing another kind of
23 report that interests the public.

24 I'm going to stop here I'd be
25 glad to continue and taught about

1 other findings as it may be needed.

2 Thank you.

3 CHAIR FUCHS: Thank you I
4 think that is a good segue to Jay
5 Fountain.

6
7 MR. FOUNTAIN: Thank you
8 very much and I have a few prepared
9 remarks and I'm glad to answer
10 questions; cause there is a lot
11 more I'm really not going to delve
12 into about what we are doing and
13 and what we are seeing.

14 As assistant director of
15 Governmental Standards Board -- and
16 I will explain a little of what it
17 is about -- for 18 years I have
18 been very interested in New York
19 City and how it is using
20 information to improve -- that is a
21 key element to it.

22 We have come to understand that
23 it's more than just reporting
24 performance information. It is
25 the use of that information

1 internally to help include services
2 that becomes critical and to meet
3 its accountability obligation.

4 I'm pleased to be able to share
5 a few obligations and thoughts with
6 you today. And to further help
7 you to consider how to further
8 enhance and perhaps the most
9 advanced reporting requirements --
10 some might say they border on
11 excessive reporting requirements
12 for a municipal government of
13 United States.

14 You might wonder what is the
15 role and interest of GASB and why
16 it is interested in New York City.

17 The GASB is the organization --
18 and it is not governmental --
19 responsible for setting financial
20 reporting standards often referred
21 to as GAAP for state and local
22 government in the United States.

23 However, since its inception in
24 1984, the GASB has recognized that
25 a financial report is to provide

1 information about the essential
2 aspects of performance of a
3 government and to provide
4 information which people can assess
5 their accountability and
6 accountability fully reporting must
7 go beyond the basic statements and
8 encompass information about the
9 results of programs and service.

10 You might ask why was GASB so
11 interested in New York?

12 Well, our first vice chairman
13 of GASB was a former deputy
14 controller of New York City, Marty
15 Ives. And I'm sure he had
16 something to do with that. He
17 actually hired me to come up here
18 and work on this project in the
19 1980s.

20 This information about results
21 is sometimes referred to as service
22 efforts and accomplishments or
23 service performance information
24 other names are applied also.

25 New York City is a leader in

1 reporting S. C. A., service perform
2 information and been providing it
3 to the public since things we have
4 seen since 1975 -- the first one we
5 seen.

6 In recent years, in my opinion,
7 and I will go along with Barbara
8 and the quality and the information
9 Of the information reported and
10 accessibility have improved
11 greatly.

12 Ten years ago -- and I been
13 looking at the report as long as I
14 been up here -- the Mayor's
15 Management Report was over 650
16 pages long. And as you referred to
17 over 2,000 indicators.

18 Well, there was someone who did
19 not only a catalog of indicators;
20 but they looked at what type of
21 indicators they were and they found
22 out that 85 indicators of that
23 report were input indicators, they
24 had nothing to do with what were
25 being accomplished and what was

1 being produced. They covered a lot
2 of ground -- I mean, they covered a
3 lot of space, at least, if anything
4 I don't know what else and that is
5 a problem. That is no longer the
6 case. Current reports provide much
7 more outcome information even allow
8 those interested to look at certain
9 key measures by community and or
10 neighborhood in the city. All very
11 helpful. I would certainly
12 reinforce I agree only one method
13 of reporting is not enough you
14 cannot just report on the Internet,
15 you have to have multiple ways of
16 doing this; cause citizens approach
17 differently. There are other
18 issues on that in communication.

19 The GASB issues finest
20 reporting standards that are meant
21 to improve financial issues of
22 reports and make it more accessible
23 to interested citizens.

24 New York City follows those
25 standards and goes beyond them

1 providing information -- yet, I
2 must admit that is not enough. Key
3 elements of what your title of
4 assessing was operation of
5 efficiency and accountability are
6 not covered by simply following
7 GAAP or even by preparing or
8 issuing all of the many reports
9 required by the Charter.

10 Currently, I was given a list
11 of about 35 reports that are
12 required by the Charter ranging
13 from things like the preliminary
14 budget, to a city wide statement of
15 needs, onto a report on capital
16 plan inventory and maintenance
17 estimate and I have to admit I'm
18 one of the people I know of that
19 really use that report a lot;
20 because when we were looking at
21 reporting requirements -- and one
22 on social indicators.

23 And looking at these reports,
24 perhaps not as carefully as I
25 should have, I do have other things

1 to do I was first struck by the
2 wide variety of types of
3 information and to some degree by
4 the duplication and overlapping
5 types of information in the
6 reports. But mostly I came to be
7 concerned by the sheer volume of
8 information being provided by the
9 degree to which many or even most
10 of these reports were being used by
11 elected officials administrations.
12 Oversight organizations of media
13 and especially citizens there is
14 not knowledge about that. I
15 understand the group you have
16 working on that is trying to find
17 that out and I really applaud that
18 effort greatly and to find out how
19 are these reports being used and
20 for what; because until you know
21 that decisions are very difficult
22 to make.

23 Strangely because I and GASB
24 are very concerned about
25 accountability and transparency as

1 Barbara says. I'm concerned there
2 maybe too much information being
3 provided. This is especially true
4 if it is not being provided with
5 adequate instructions to help
6 understand and about how to use the
7 information. And if it is
8 information that people are not
9 using you can overload.

10 Barbara talked about that as
11 well the performance reports that
12 are issued and ours are much
13 smaller reports, the ones you are
14 saying are much smaller citizens
15 are saying, So what, that is not
16 what I want to know. And we did
17 address that somewhat in the
18 suggestive criteria -- criteria
19 four says there should be multiple
20 levels of reporting. And we think
21 that is very critical when you
22 start looking at this in other
23 words you start off and the
24 excellent reports I have seen start
25 with a one or two page overview of

1 the city or the results and then it
2 links back down and an executive
3 summary and then links back to more
4 detail which you aggregate and do
5 more things with it but it's
6 important to have someone be able
7 to pick and choose of whether they
8 want the details.

9 I just completed the review of
10 one of the Federal agencies
11 performance requirement reports.

12 Have any of you ever been a
13 part of the PAR Report?

14 Have any of you ever been a
15 part of the PAR Report. It contains
16 performance and financial
17 information.

18 After reviewing it, I'm certain
19 few citizens

20 I believe agencies -- few
21 agencies could or would try to take
22 the time to understand the
23 financial result of operation of
24 this agency contained in this 350
25 page report. This reminded me that

1 it is all too easy to provide too
2 much information and by doing so
3 failed to communicate because of
4 the sheer volume being presented.

5 We are now working to provide
6 guidance to state, local,
7 government on reporting service
8 performance information.

9 After more of a decade of
10 research into the subject including
11 citizen discussion groups, 19 of
12 them across the group.

13 In August 2003, we issued a
14 special report -- and I gave you a
15 summary I didn't want to give the
16 whole thing it's too large, it's two
17 hundred pages -- I have a defense
18 for that I must admit there were 16
19 criteria and we felt it was
20 important for each of the criteria
21 to give examples and the examples
22 take up about four pages for each
23 of the 16 criteria and doing your
24 math quickly you can see that is
25 one hundred pages there alone. If

1 anybody would like a copy of this,
2 we are glad to make it available to
3 you and it does have some things
4 other than the suggestive criteria.
5 We issued that special report and
6 it set forth the 16 suggestive
7 criteria; but it goes beyond that
8 and does a couple of other things.

9 One, it also recognizes very
10 clearly the need for managing with
11 performance information and it has
12 an entire chapter on managing for
13 results and makes clear statements
14 that the reporting of performance
15 information is more informative and
16 more important if it is a byproduct
17 or if it is a product of
18 information that is used by
19 management -- and I will return to
20 that.

21 We also included here another
22 chapter on 16 -- 11 good practices
23 which were not quite ready to be
24 suggestive criteria -- I'll refer
25 to them in a few moments.

1 As Barbara said, there are a
2 number of other projects going on
3 with this to help the
4 experimentation National Center for
5 Civic Innovation has 27 grants out
6 for people who will be reporting
7 people who will be using the grants
8 and another criteria is to go to
9 the citizens and taught to them and
10 get feedback and adjust the report
11 the second time through --
12 fascinating to me.

13 Also another organization,
14 Organization of Governmental
15 Accountants has a program for
16 issuing a certificate of Excellence
17 in SCA reporting and that is being
18 done now and they have about 32
19 agencies they have submitted their
20 reports to see how well they meet
21 the criteria and how effective they
22 maybe reporting. I provided you
23 with a summaries of special report
24 how before even talking about the
25 suggestive criteria that might be

1 of interest to you this is
2 something that is more important
3 and I think it is worth repeating.
4 We come to realize that the
5 reporting of service reporting of
6 financial information is only of
7 great value if that information is
8 being used in the management of the
9 organization and the policy
10 decision making.

11 If it is not being used for
12 that, then it becomes an exercise
13 almost in futility. To me, this
14 means that while reporting
15 requirements are important, a more
16 critical focus is on the use of
17 information within the organization
18 planning resource allocation,
19 evaluation of results to help
20 improve the results of the services
21 and products being produced. I
22 don't know how you get to that on
23 the Charting Commission, maybe
24 there are ways to do it.

25 The title of this session

1 concerned me a little also because
2 the term operational efficiency.
3 The term efficiency triggers some
4 remark today me efficiency is
5 important; but only one element of
6 results more important is the
7 effectiveness of services. What
8 they contribute to the government's
9 effort to enhance or maintain the
10 well-being of its customers and
11 citizens. It is important to have
12 a broader scope and look beyond the
13 efficiency to effectiveness as
14 measure to the outcomes that are
15 achieved.

16 Importantly the outcome must be
17 looked at in many ways. I'll be
18 glad to go into details later while
19 not a suggestive criteria one of
20 the good practices listed in a
21 chapter of special reports for the
22 report to include a discussion of
23 how the organization is generally
24 using performance information.

25 Also listed as a good practice

1 to consider is to include a
2 discussion of what is specifically
3 being done to maintain existing
4 high performance or to improve
5 performance in low performing
6 areas. When we discuss
7 performance with citizens we heard
8 they want it easily accessible --
9 did I mention starting with a brief
10 overview and linking that to more
11 detailful even for the more
12 completed information. Citizens
13 want it to focus on what they call
14 key measures, key measures to them
15 not to management and not to
16 elected officials. And to try to
17 ball between being overly
18 comprehensive and complete. They
19 wanted information provided in a
20 layered format and wanted
21 comparisons to help them understand
22 how successful the program had been
23 including comparisons with
24 themselves, how they felt the
25 program was doing, they wanted the

1 information to be in an aggregated
2 format so they could look at it by
3 geographic and social interest to
4 them.

5 One of the most complete
6 service performance reporters
7 presented and they also want it
8 easily to find and understand.
9 One of the best ones I seen a
10 county report is one of the best
11 reports I've seen. However, its
12 on their website only and it is
13 nearly impossible to find that web
14 -- part of the website unless you
15 know in advance where it is.
16 Totally waste -- the mayors
17 management report is not that hard
18 to find, I have to admit.

19 Finally of concern to citizens
20 was their ability to understand and
21 use the information being reported.
22 Several good practices addressed us
23 by suggesting a description of any
24 efforts made to assist users in
25 understanding and using the

1 performance report should be
2 included and that the report
3 include a method by include readers
4 can provide feedback about the
5 report and the performance being
6 reported and that subsequent
7 reports include a description of
8 the extent of the previous report.

9 A few observations in closing
10 just suggestions for you I'm bad at
11 doing this.

12 I'd say look carefully at what
13 reporting requirements are put in
14 the chart. Reporting of this type
15 of any type needs to involve and
16 change over time and the Charter
17 has modified only infrequently you
18 talk about it a lot; but I'm not
19 sure how frequently it's modified.
20 To try to ensure where possible the
21 information being reported is that
22 which is being used by the
23 organization by management by the
24 executive by elected officials by
25 the media and by the oversight

1 organization. Make sure that
2 required reports are those with a
3 broad need not just ones for a very
4 narrow specific need and for -- not
5 just for internal purposes.
6 Provide information that reflects
7 on the essential aspects of
8 performance and it is easy to
9 access and understand by those who
10 intend to use it to the degree
11 possible, build in flexibility in
12 what is being reported, do not tie
13 people down to specific measures to
14 not tie them down to specific
15 things, if you can possibly do it.
16 If possible provide a requirement
17 that reports contain descriptive
18 information about how to read and
19 understand what is contained in the
20 report. And Mayor's Management
21 Report does an excellent job and
22 has a whole page. It may be a
23 little difficult and complex; but
24 it's still a good start for that
25 direction.

1 The GASB is now preparing a
2 guide for using service performance
3 reports and they maybe of some
4 assistance to you I'll make it
5 available when ready.

6 I am not certain how you would
7 choose to do it; but if possible I
8 would suggest providing a
9 requirement for education and
10 training for potential users of
11 reports of how to understand and
12 use them.

13 Without that, there is no
14 communication taking place.

15 Again, thank you for inviting
16 me for this.

17 And I wish you the best of luck
18 in addressing this very complex
19 issue. You are going to need it
20 and I'll be pleased to be of
21 further assistance if I can.

22 Thank you.

23 CHAIR FUCHS: Thank you very
24 much.

25 I'd like to acknowledge the

1 presence Commissioners Anthony
2 Crowell and Curtis Archer and call
3 upon Professor Dennis Smith to
4 continue.

5 PROFESSOR SMITH: I wanted to
6 thank the Chair, Ester Fuchs, and
7 Vice Chair Dall Forsythe for
8 inviting me and for Terry Matthews
9 preparing me to come here Terry, a
10 former student as is Greg Brooks
11 and I want to thank you for putting
12 me together with a distinguished
13 group some of the people I've
14 worked with in performance
15 management when I first started
16 working on this the only thing out
17 there on the Mayor's report. Was
18 Jack's book and as you said in the
19 beginning that book never goes out
20 dated and I think my students find
21 that is true, I certainly do.

22 I also for a long time admired
23 the work of the City of New York,
24 its contribution early on and first
25 creating a significant measure --

1 of outcome in their report card.
2 So, you claim the way they
3 constructed I think I heard
4 mentioned on probably every thing I
5 have written on this subject. I've
6 heard about Jay's work for many
7 years at the Wagner School, Marty
8 teaches with James, nice to share
9 panel with him I have some prepared
10 remarks too I'm going to try to
11 skip over some of them; because
12 there are elements of agreement. I
13 do think I should begin by saluting
14 the efforts of this Commission to
15 address the never ending challenge
16 of improving the function of the
17 New York City governance and I say
18 it that way government; because I
19 think we all know there is no --
20 and if its ever was sufficient and
21 distinctive impact that how we
22 design government because the city
23 depends so much on the interaction
24 of the non-profit sector and
25 private sector with government so

1 when you think about these forums
2 you have to think beyond government
3 and think about how that
4 interaction plays out.

5 I do have a paper available on
6 the promises and pitfalls on
7 performance based contracting we
8 did for a research conference,
9 which is available there and we did
10 that for -- to discuss particularly
11 some of the interactions as they
12 emerged in the city I provided for
13 the Commission.

14 I also want to say that I think
15 this work is really critical;
16 because we've increasingly
17 appreciated the government matters.

18 And there was a time I felt
19 teaching public administration
20 there was a lot of voices
21 questioning that in one way or
22 another; but I think in recent time
23 it is pendulum swung back to
24 appreciation to the design and
25 operation of government is critical

1 in our lives and certainly those of
2 us who live in New York and have
3 children in New York and work and
4 play in the City and have been here
5 for a while, appreciate that
6 government can work variably. And
7 when it works better, we all
8 benefit from it. And I'm happy to
9 say that I feel the city has been
10 in a very positive upswing in Terms
11 of the performance. And I have
12 been chronicling that in a lot of
13 my work in performance management.
14 I said depending among Jack
15 Nicholson's work when I got started
16 my first paper on the paper of
17 performance management, City
18 government in the Koch
19 administration, it was very
20 critical, the 12 I studied that I
21 had to report were reporting;
22 because they had to. Various
23 aspects of the performance mostly
24 as has been suggested here input
25 and activities; but they were not

1 measuring outcome as part of the
2 performance very often. And they
3 were not -- I found, using that
4 measure in the way that Jack
5 designed it to be used as a
6 planning management and reporting
7 system M.M.P.R.S. It is almost
8 always reported to have just become
9 an M.M.R. And I think that that
10 word matters and the truncation of
11 that set of letters reflect in
12 reality that it was a reporting
13 system, not a management system.
14 That did not change very much. I'm
15 sorry to say in the Dinkins
16 Administration we wrote an article
17 about H.R.A. thrifts social setting
18 the direction at the end of the
19 Dinkins administration. It showed,
20 it is budget constraint reasons and
21 ideology at least in certain areas
22 that were particular interest to me
23 the path of the agency
24 significantly diminished. I got
25 that from all kind of sources from

1 outside the agencies from
2 operations and so on. And it made
3 a critical difference and I tried
4 to move onto very complicated
5 social services reform and family
6 preservation without the kind of
7 capacity that was required to be
8 able to design and manage the
9 system requiring targeting and
10 following and so on.

11 We have come back full circle
12 to some of those strategies and I
13 think I'm happy to say the capacity
14 is probably there now to do it much
15 better; but that was then and it
16 was a time when the journals like
17 the economists were talking about
18 the rotting apple in terms of crime
19 and a lot of other problems in the
20 city.

21 We have found starting with Com
22 Stat I believe that it is possible
23 through operations changes for
24 management to make a very big
25 difference in the way the city

1 performs.

2 I have written about that with
3 William Branton who was mentioned
4 but I also study in nonprofit
5 organizations and I have studies
6 and is now a number of other city
7 agencies I recently did another
8 report with William Bratton Com
9 Stat social services and used Com
10 Stat principals in places like H.
11 R. A., a. C. S. Department Homeland
12 Services and I think it is a very
13 positive story discovering the
14 using first of all focus on
15 outcomes which the mayors office
16 of operations have been very
17 central in this administration
18 particularly in leading.

19 I would join some of those who
20 have I think challenged Greg Brooks
21 in his view that the direction of
22 which this has taken and I think
23 though he said some positive things
24 and there have been positive
25 elements in this reporting process;

1 but I think overall it is
2 dramatically improved and not because
3 of all the recommendations I wrote
4 and that I wrote in 1990; they are
5 finally adopted by Susan Kupferman
6 and her staff; but I think she got
7 a charge from the Mayor in the
8 report they were going to do
9 something about it and do it and
10 change it and they have delivered
11 and I'm sure there is more to
12 delivery and improvements that
13 could be made; but I think that
14 when governments act in complex
15 data they work and deliver the way
16 this one was delivered we have to
17 sort of applaud it and start out
18 with that and be very clear about
19 it.

20 I think that is a greater focus
21 on outcomes. I think the sharper
22 delineation of the things that I
23 think come closer to being the
24 things that matter a larger
25 audience is a real improvement and

1 I think having most of the rest of
2 it available through the web and
3 other sources is probably sufficient.

4 I don't agree actually with the
5 way I think and I don't think --
6 I'm not sure how Jay would say he
7 think about it if we were to argue
8 about it; but I don't believe input
9 activities or input are relevant
10 and unparent. I think they can not
11 be confused and I think the agency
12 needs to use the information very
13 carefully and analytically to
14 learn which inputs and outputs
15 contribute way what to what they
16 care about in reports. More
17 broadly one, of the contributions
18 the way Jack Ukeles framed the
19 mayors planning report system was
20 captured inside that first paper
21 that I wrote and Jack and I were
22 given joint credit on in the first
23 issue of this mayors operation
24 report an idea of triangle a broad
25 base of data residing in the agency

1 used in agency plans, the middle
2 range would be the interaction
3 between the agencies and Mayor
4 officials and Mayor's office
5 operations for monthly review and
6 that sort of follow up and
7 reporting and then a small amount
8 of it on the pyramid only would be
9 presented to the general public and
10 everyone there I think we have to
11 sort of be realistic about how much
12 of the general public we should be
13 targeting it too and if we pushed
14 it too hard it is not really going
15 to be useful to anybody and if we
16 we can -- we sort of confuse the
17 parts of it that are suppose to be
18 useful to the management -- and
19 they say that is not of interest to
20 me who cares it should matter if
21 they knew how it was being used and
22 similarly a lot loft stuff is
23 reported to the public and that the
24 not very global to the managers who
25 have to deal with things

1 day-to-day.

2 So, it has to be put into
3 context and a context set of mind.

4 I think that the 311 additional
5 feedback provided by that to that
6 in addition to whatever role it
7 plays in consumer/client receipt
8 and action and just as a footnote
9 as I studied 311 with my students
10 are student I was impressed with
11 the tremendous amount of things the
12 city had to go through to sort out
13 who does what. You said the
14 average citizen does not know and
15 a lot of agencies have not sorted
16 out until they got ready to respond
17 to calls. That is been a
18 tremendous example of a use of
19 systematic and analyst to improve
20 government performance which
21 performance management includes in
22 my definition and it also includes
23 the notion of what information is
24 needed, who needs its, when they
25 need it, getting it to them in time

1 and holding them accountable to
2 management mechanisms to use it
3 through improving performance and
4 have that process in play.

5 As a result, this works out in
6 a timely way so that you can make a
7 difference and you can I think that
8 when it worked performance
9 management is what attracts us to
10 it, it accelerates the process of
11 learning about how to improve for
12 our citizens and clients etc.

13 So, I think 311 is an
14 additional important source and I
15 will recommend at the end another
16 thing we can do to make that an
17 even more valuable resource; but I
18 don't want to overlook getting
19 feedback. That is not through the
20 agency channels; but through a
21 broad mechanism that open and
22 advertised to citizens as the
23 element of transparency we are
24 seeking and that is elements that
25 are actually devised in a score

1 card where a group of randomly
2 distributed observers come back
3 with information about the
4 cleanliness of streets.

5 There are some dangers with the
6 311, it could be gamed and as
7 people learn how to do it, call 311
8 and load it up on certain
9 categories.

10 I understand after the Mayor
11 fixed the pothole, there were a
12 thousand calls about potholes he
13 did not fix.

14 So, there have to be some
15 suggestions I think on the system.

16 Actually, a lot of agencies
17 work closely and this's another
18 breaking down of silence going on
19 in city management and in the
20 Mayor's Management Report as they
21 increasingly improve issues they
22 report on cut across multiple
23 agencies. Something I recommended
24 that not all agency by agency
25 report; but suppose to be Mayor's

1 Management Report if the Mayor
2 reports a lot of things cut across
3 every single agency that is
4 increasingly reflected in the
5 mayors management report and that
6 is a positive.

7 So, I think working together
8 with the DoITT staff and operations
9 right from the front to see how
10 they can link 311 to the mayors
11 management report is a great
12 thing. It is work in progress
13 everybody acknowledges that; but we
14 should sort of make suggestions
15 about how to do that better and
16 learn from that and use that in the
17 managements improving system rather
18 than to be fundamentally concerned
19 about it.

20 I think that we have a lot of
21 reasons to think the City's
22 operational performance is in a
23 much better place.

24 I'll give an example, I had a
25 chance to do a study on how the

1 police department managed cuts
2 backs in the 1970s when they lost
3 more police officers in the
4 department. Then most departments
5 in America had 25 to 40 percent and
6 I found in that studies that they
7 just did across the board cuts
8 almost to the decimal point of the
9 percentage that was patrolled
10 before when it was a thousand more
11 to the later time to the detective
12 bureau the only part
13 parenthetically that did not get
14 protected in that way was the
15 department of community relations
16 and it was whacked, it was gone but
17 everything else, but that was
18 basically the level of analyst they
19 had available.

20 There were political reasons to
21 do it that way.

22 Now, when Ray Kelly came in
23 faced with fewer police officers in
24 N. Y. P. D., what did he do? He
25 created operation impact which very

1 carefully analyzed where they are
2 or emerging hot spots and targeted
3 police officers to go to those
4 spots with results and they are
5 tracking those results not
6 annually, not quarterly, but weekly
7 to see if they have made the right
8 arraignments in terms of boundaries
9 of these impact areas. That is a
10 reflection of where we are to the
11 -- and where we have come there are
12 a lot of others and some of them
13 are reported in this paper on Com
14 Stat and H.R.A. where
15 improvements and administration for
16 children services are incredibly
17 dramatic and H.R.A. job stat and
18 vendor stat have been part of a
19 management system in the city
20 building on Mayor's Management
21 Report that has enabled them to
22 bring an education comparable to a
23 reduction in crime. None of these
24 things, believe me are simple, none
25 of them are entirely

1 straightforward. There are issues
2 and tweaking and certainly things
3 that have to be -- any time you
4 introduce the power of government
5 you have to make sure it is used
6 accountably and correctly and is on
7 but on ball there is the broad
8 stroke I see. There are some
9 other aspects that -- a positive
10 story which I think I can report
11 but I think you get enough of that
12 from different members of the
13 panel -- but I'll go onto saying
14 that one thing that the City
15 Council benefits from -- and I
16 think Barbara Cohn was eluding to
17 it -- is I think and maybe -- I'm
18 basically reluctant as Jay to
19 putting things in the Charter; but
20 I think we can mandate maybe a
21 sunset to see how it contributed.
22 Citizen surveys that are broadly
23 focused on the most important
24 services and that is not a mystery.
25 The ones that citizens reasonably

1 could have information about to see
2 how we are doing. You do not have
3 to have the Mayor stand at the
4 subway station to see how it works.
5 I think it should be done not in
6 the City Council if they want to do
7 their own versions as they have
8 from time to time and not just
9 specific agencies as it has been
10 with police officers and others;
11 but broadly and predictably and
12 knowingly that we are going out and
13 there and brings back information
14 from the citizens about their
15 satisfactions and the mayor's office
16 and should also be empowered to
17 supplement and use that data; cause
18 often times data is collected and
19 is reached and sits there too
20 long the whole idea of performance
21 information is to collect and to
22 use it and make it better and I
23 think you can include in that
24 citizen feedback which I think has
25 become much more widely accepted as

1 a performance indicator than when I
2 first started doing research in
3 the 1970s and would bring in
4 citizen data for my work in St.
5 Louis people would actually get
6 angry and shout and say, How could
7 you use that these are
8 professionals. How could you use
9 citizen feedback. But I think we
10 have come a long way and we often
11 times lynch at the thought and each
12 time doing this and for this to be
13 a billion dollar operation, it is a
14 small investment to get that timely
15 feedback and it could be each time
16 broad indicators that are currently
17 addressed, are setting performance
18 currently addressed we could add a
19 focus piece of the 311 and get a
20 focus and we'll really know what is
21 going on citizen survey.

22 The second thing I hesitated
23 along time to suggest this I have
24 come to the conclusion for all the
25 successors particularly now the

1 plan was developed for the use of
2 mayors management performance
3 prepared in a manual in 1986 and
4 buried someplace nobody knew about
5 it but it laid out this whole multi
6 stage it was not just the M.M.R.
7 but was the whole planning
8 management system, the whole set of
9 things that we have now come to the
10 point that we can assess the
11 preliminary Mayor's Management
12 Report and I have come to the
13 conclusion we no longer need it,
14 that it does not do the thing it
15 was promised to do. How much
16 longer do we have to wait -- it was
17 suppose to link to the budget, it
18 is not and since it is not, it
19 takes a moment of time and
20 sensitivity and is converted
21 attention in the agency and reduces
22 credibility; cause every time you
23 ask people for numbers and to not
24 use them, it erodes the connection.
25 You need to make the perform

1 management systems work.

2 So, I would say if anyone comes
3 up with a theory that said if you
4 did it at this particular time in
5 the cycle and in this particular
6 way, it would sort of help us link
7 budget decisions to the
8 effectiveness measures we could put
9 it back in place; but until that
10 happens, it is if you want to race
11 I think it's an example you could
12 effectively reduce.

13 I also just wanted to
14 acknowledge that I have been very
15 cautious in my comments about the
16 use of efficiency.

17 I've seen in public
18 administration in my own field so
19 often it is confused with and
20 equated with cutting costs and
21 those two things as we know, I
22 think maybe that is a convenient
23 thing sometimes in political
24 campaigns and so on.

25 But we should know better.

1 And so, I think that we are now
2 at a point where we are measuring
3 outcomes in enough places that if
4 we begin strategically to look at
5 some areas of critical interest, we
6 might possibly achieve the kind of
7 interface -- the kind of comparison
8 using metrics that are common of
9 the outputs and outcomes and the
10 investment in them, we could learn
11 a lot and we could transfer that
12 learning in a performance
13 management sort of model to other
14 agencies; but I think we just have
15 to be very careful when we use that
16 word, it so easily capture having
17 said that I have learned a lot
18 about the efforts of the audits
19 that Greg Brooks has done. He is
20 has repeatedly come to my place and
21 done studies that the city has
22 done. I think they will be
23 targeted and selective. I think we
24 have to more acknowledge we are
25 more talking about effectiveness

1 than efficiency and I think that is
2 a lot.

3 Thank you.

4 CHAIR FUCHS: Thank you very
5 much and next is Jack Ukeles.

6 MR. UKELES: I should
7 quit while I'm ahead. Dennis was
8 so gracious and my other
9 colleagues.

10 Good evening, Chairperson
11 Fuchs, members of the Charter
12 Revision Commission and my
13 colleagues on tonight's expert
14 panel.

15 My name is Jacob Ukeles.
16 I'm the President of Ukeles
17 Associates Incorporated, New York
18 based, management and consulting
19 company.

20 I appear before you as someone
21 with a lifelong interest in the
22 effectiveness of local government
23 in general under this great city in
24 particular. And I'm very
25 appreciative of the opportunity to

1 participate in yet another chapter
2 of the effort to make our city a
3 better place.

4 I would like do start by
5 stepping back a bit from the
6 Charter and sharing with you my
7 personal take on tonight's subject,
8 Operational Efficiency and
9 Accountability.

10 If you will indulge me, I would
11 like to slightly broaden the
12 language of inquiry. The same
13 problem of what does it take to
14 ensure effective management in New
15 York City government and then I
16 will turn to the government what
17 could the Charter reform contribute
18 to this equation; cause ultimately
19 you are in the business of
20 reforming and improving, The
21 Revision Charter.

22 The determinance of effective
23 public management are complex and
24 some a little mysterious and become
25 convincive. The most important

1 variable is the most intangible and
2 is something called organizational
3 culture, go quantify it. Some are
4 difficult to predict or controlling
5 like executive leadership.

6 We happen to have a Mayor today
7 who is very interested in and
8 knowledgeable about management; but
9 that is not always the case in
10 public life. But some of the
11 determinants of effective
12 management are clear and I would
13 like to focus on just one.

14 To me an effective public
15 organization is one that is
16 obsessive about performance; which
17 two questions are constantly and
18 consistently on the table and those
19 questions are: How well are we
20 doing?

21 And how could we do better?

22 When performance is truly
23 central and when it finds the
24 working definition of good
25 performance, a way to measure

1 performance; and secondly people
2 are held accountable for their
3 performance; and third, people have
4 control over the resource needed to
5 do their job; and fourth, good
6 performance is rewarded and poor
7 performance is shown how it could
8 be improved. If not improved, it's
9 penalized. I don't want to bore
10 you with a lot of history. And in
11 my written remarks that I have
12 given to Terry, I have a couple of
13 paragraphs about what, if anything,
14 really happened in the 1970s, the
15 mid 70s in New York and how we
16 arrived at the Mayor's Management
17 Report.

18 But we have had a lot about
19 history and I really want to focus
20 much more on where we go.

21 Dennis did refer to the notion
22 of a 3 part pyramid, which was
23 really very, very crucial in our
24 whole approach.

25 The Mayor's Management Report

1 was at some level the lease
2 significant part of the management
3 system.

4 The most important part were
5 the monthly meetings between the
6 First Deputy Mayor and every
7 department. I have often told my
8 students -- and this resonates a
9 little about something Jay said
10 about use, if you have a chose
11 between a monthly conversation
12 without data about how well are we
13 doing and how could we do better
14 there and the Commissioner or a
15 pile of performance data that
16 nobody looks at, there is no
17 question the first is better.

18 Now, it is nice if you have
19 both and when the system works best
20 is not my remarks when I watched
21 our leadership put the data
22 together with the politics together
23 with what we are getting in this
24 case anecdotally from citizens to
25 realize the problem but it is the

1 face to face contact that was
2 really key.

3 I did want to focus on what I
4 feel are the key reasons from that
5 experience of 30 years ago for the
6 Charter -- by the way, Jack I don't
7 know where you find 1975 report,
8 the first report is 1977 and there
9 were efforts going back to the 40s
10 with efforts to do performance
11 data; but any way, the key lessens
12 from my point of the view of the
13 Charter. It did not create the
14 impulse for performance management
15 that came from leadership and the
16 needs of the time.
17 a charter cannot make good public
18 management happen. You can write
19 the Charter in great French
20 Sanskrit you can write it
21 sideways, upside down and any way
22 you'd like, you can make it a
23 spectacular document, that will not
24 automatically create good management.

25 So, what can the Charter do?

1 The Charter can provide critically
2 important tools for better
3 management and can institutionalize
4 those tools. And When Barbara
5 shared with me before we came up
6 how she used the existence of the
7 Charter Provision and the
8 management system internally to get
9 changes that she knew were right, I
10 said that is how I work with the
11 Mayor. I said to the Mayor we got
12 a Charter Revision requirement and
13 we have to have an M. M. Report.
14 He said, Fine. And then we used it
15 to do things we knew were right to
16 do.

17 If that was not in the chart it
18 would of made my life difficult.
19 We would of done it cause we still
20 needed it; but it was easier.

21 Now, what the Charter can do is
22 it cannot only provide but it can
23 institutionalize them.

24 Now, what happened at the end
25 of the administration that

1 developed the management planning
2 system?

3 The Charter, the M. M. Report,
4 survives to this day and the
5 Mayor's Management Report.
6 Notwithstanding, the reporting
7 system went away it was not
8 institutionalized. Remember I gave
9 the taught once I think it was the
10 Citizen's Union -- I don't
11 remember -- and it was near the end
12 of our administration a former
13 budget director from a previous
14 administration said to me, Jack,
15 what are you going to do to
16 institutionalize this? And I
17 wanted to say to him, And what did
18 you do to institutionalize all the
19 neat things you did. And the
20 answer is there is no way to
21 institutionalize it; cause a new
22 administration comes in and feels
23 an obligation to start over.

24 So, what is the institutional
25 framework? It is what you leave

1 behind in the Charter and that is
2 why the Charter is important.

3 So, my question is, if the
4 Charter contains a coherent
5 structure of reporting and planning
6 in support of performance and
7 accountability, it supports the
8 institutionalization of these
9 aspects of good government.

10 So, my question in looking at
11 the Charter today, Does it provide
12 a coherent structure in support of
13 performance and accountability?

14 And I think my answer is, no, it
15 does not. And I have eight
16 reasons why.

17 first, I think Jay eluded to
18 this -- and I have different counts
19 than Jay. You have 35 and I found
20 31, some sub pieces, 31 separate
21 planning documents and reporting
22 documents plus sub parts.

23 Now, one of the by products of
24 the information age is information
25 overload. It is hard to look at the

1 list let alone the documents I
2 want, the documents required by the
3 Charter without feeling this
4 information overload.

5 Who can possibly make sense of
6 so much information?

7 Second, even a cursory look at
8 the list shows a great deal of
9 overlap and duplication, 7
10 different documents refer to
11 strategy or priority.

12 Third, in many instances,
13 reports deal either with city
14 spending or with results rarely
15 with both; thus, obscuring the
16 critical question: How big a bang
17 is the citizen getting for the buck
18 ?

19 Fourth, some documents are
20 plans, they look ahead and some are
21 reports, they look back and
22 describe what happened. Some like
23 the M.M.R. do both.

24 It is not always clear why in
25 one case we have a plan and another

1 case a report.

2 Fifth, we know who gets the
3 report, but who is it really for
4 and who really uses it?

5 And I know you are looking at
6 that so Commissioner Betanzos has
7 wisely pointed out in the
8 transcript the need to move ahead.
9 Commissioner Abraham's suggested
10 media attention one public measure
11 of public interest. Both of these
12 comments to me reflect the broader
13 issue every report or document that
14 is produced represented significant
15 time and energy.

16 Perhaps it is developed
17 originally for some purposes that
18 has gone away or for some person
19 that is no longer on the scene.

20 One of the classic things I
21 remember, I was in Hartford,
22 Connecticut and one of the people I
23 was working with a senior
24 executive; and he said, when he
25 started working in his company, he

1 found 12 reports that were being
2 generated and no one knew who they
3 were for or why.

4 So, this is something that
5 happens all the time.

6 Sixth, shouldn't someone be
7 able to trace the connections
8 between different reports so that
9 together they add up to a picture
10 about where city government is
11 going and what the results have
12 been.

13 I had a very hard time
14 reconstructing -- did I do -- okay,
15 seven.

16 Seven, there may be some things
17 missing. For example, I can not
18 find a coherent description of the
19 four year financial plan that has
20 become so much of the Sunset
21 Control Board.

22 And Eight, is pointed out by
23 others; but I don't think it's any
24 panacea. The current charge of life
25 via Internet and electronic of the

1 web. I believe the receipting
2 Charter Revision have added layers
3 for performance management each
4 responding to specific legitimate
5 concerns and interest.

6 I don't think anything that was
7 done by your predecessors is
8 arbitrary; but the question
9 today -- the question before this
10 Commission should be: Is the
11 public interest today served by the
12 accretion of pass responses? I
13 think you have an extraordinary
14 opportunity to make a dramatic
15 improvement in the framework of
16 performance accountability of which
17 the city works.

18 And is again, I thank you for
19 the opportunity to spend time with
20 you and with a group of people
21 setting on both sides of these
22 tables that I have high regards
23 for.

24 Thank you.

25 CHAIR FUCHS: Thank you very

1 much.

2 Thank you all for this
3 extremely informative set of
4 presentations.

5 And now I'm going to ask my
6 fellow Commissioners for questions.

7 Commissioner McCormick?

8 COMMISSIONER McCORMICK: This
9 is not a question, this is a
10 compliment to all of you. This
11 city remains, you know, really a
12 leading example throughout the
13 world of how to look at this very
14 complicated issue. And hearing your
15 comments, I'm reminded again how we
16 got there, the very hard work, the
17 extraordinary talent and I
18 appreciate very much your comments
19 about how to keep us continuing to
20 innovate and to refine what we have
21 been doing. It is essential and
22 we have learned a lot in the last
23 20 years or so.

24 And that is a very satisfying
25 feeling to develop from that.

1 So, thank you all.

2 CHAIR FUCHS: Commissioner
3 Forsythe?

4 COMMISSIONER FORSYTHE: Thank
5 you.

6 I have two questions or a
7 request for comments. One, does
8 anybody else on the panel, besides
9 Dennis, that would like to comment
10 on the citizen survey idea and on
11 how they think it might work best
12 be effective.

13 MS. COHN: Listening to the
14 public is something that we have
15 been impassioned about at the Fund
16 for the last ten years.

17 And we certainly find that
18 listening to the public gives you a
19 great deal of insight into their
20 perception of government and
21 perhaps aligning government in
22 better ways.

23 Surveys are a little tricky.

24 One has to be careful about
25 them a number of cities and places

1 have been doing them and sometimes
2 they end up being just a public
3 relations document, which ends up
4 saying in big headlines 99 percent
5 of the people think we are doing a
6 rape job -- that is that.

7 So, I do think that it is very
8 important to systematically and
9 objectively go about finding out
10 what the public is thinking and
11 some surveys are good; but I would
12 be very careful about how that
13 should be done, who should do it
14 and whether in every case surveys
15 are the best way to do it.

16 I think that we are learning
17 better ways of doing it rather
18 than just yes or no.

19 How well do you think
20 government is doing?

21 I think we need to get to the
22 questions of why do you say that.
23 From you think it is good.

24 What do you think is good about
25 it?

1 A. If you are not happy with it,
2 what is it that you are not happy with?

3 And then I think it would be
4 extremely useful -- I would like to give
5 some more thought to how and what should
6 be institutionalized.

7 COMMISSIONER FORSYTHE: If
8 you have any places that you think
9 do this particularly well that you
10 recommend us to look at that would
11 be very interesting.

12 MS. COHN: Let me get back
13 to you with that. There are a
14 number of places, there is Portland
15 that started out in a very --
16 initially, it was quite dramatic
17 and superficial and now they are
18 going through various levels. And I
19 think between Jay and I, we can
20 give you some places you might want
21 to look at.

22 I don't know that anyone has
23 quite hit the mark yet.

24 COMMISSIONER FORSYTHE: Jack
25 said it would be nice to get a

1 coherent structure in the Charter
2 promoting performance and
3 accountability.

4 And again, if there are any
5 city agencies that do it not that
6 do a good job in performance and
7 accountability but that have
8 specified that in a charter that
9 you would like to show us, that
10 would be very interesting also.

11 The hard question for us is
12 always taking a good idea and
13 making it practical.

14 MR. UKELES: I don't have
15 the City Charter at my fingertips;
16 but in general it goes back to what
17 Mary said earlier, We are -- in
18 many ways, New York City was ahead
19 of the game. And you know, I've
20 looked at the communities that were
21 candidates for the program that
22 Barbara is running. And so I have
23 -- including the ones that were
24 chosen -- so, I have a sense of the
25 state performance management,

1 accountability. I'm guessing,
2 which I don't like to do -- but I'm
3 guessing that there is no community
4 in the United States that has
5 anything approaching 31 different =
6 kind of reports in this area. I
7 would be shocked. I mean we could
8 look at Chicago and L. A. but my
9 hunch is nothing certain is close;
10 but I think in a certain sense we
11 have taken the whole subject more
12 seriously than other folks; but we
13 have done it like reverse archival.
14 I don't believe we keep adding
15 layers and that is really my
16 question is whether that -- whether
17 it is not time -- and maybe that
18 was fine for a while. I can't
19 imagine anyone being close but you
20 know, I'll take a quick check; and
21 if I learn anything, I'll get back
22 to you.

23 COMMISSIONER ABRAMS: I think
24 I referred to the 311 required an
25 analyst of what city agencies do.

1 I'm going to compliment the
2 Commissioner calling my attention
3 to this list of reports. I thought
4 I was reasonably well informed and
5 used a lot. I would say an analyst
6 it could be done and it would be
7 very instructive to see how these
8 pieces put together and how they
9 pan out, if they do; but I also
10 want to go into some kind of
11 criteria for how many people need
12 to be interested in and it play
13 what role is needed to warrant its
14 continuation; because again that is
15 a question of who is these intended
16 to be used for? I can't imagine
17 most of them were intended for the
18 reader of Daily News, they were
19 intended for specific audiences and
20 I understand that is the survey
21 that is being designed and carried
22 out. And I think that would be
23 very important feedback in trying
24 to figure out how to rationalize
25 this set of reports. It is

1 impressive to the point of being
2 exhausting; but I'm just glad you
3 have taken it on. I don't
4 believe -- maybe many others have
5 and dismissed it; but I don't think
6 so.

7 MR. FOUNTAIN: In Colorado
8 testify a lot of work on that and
9 a lot of cities use their work as
10 far as doing surveys.

11 So, you can learn from that as
12 far as how to approach and do
13 surveys and I understand there is
14 some model charter work that has
15 been done with the National League
16 of Cities that have done that. You
17 may want to look at and get ideas
18 about what is in a charter and what
19 is not in a charter; but you have
20 such un-unique situation --

21 MR. UKELES: I've looked at
22 the model charts used, and it was
23 very helpful in re-doing the
24 Charter in Bridgeport; but it has
25 nothing to do with New York.

1 MS. COHN: I would like to
2 add New York City continues to be
3 the leader. I don't know of any
4 other city that has in its Charter
5 a requirement to do something like
6 a management report. And I mean
7 Oregon State the progress board
8 does have something embodied in its
9 legislation; but that is not in the
10 Constitution.

11 So, we are still in that
12 regards still leaders. I know of
13 no major city that requires that.

14 CHAIR FUCHS: Commissioner
15 Abrams?

16 COMMISSIONER ABRAMS: We are
17 in the first week of April and we
18 have a few more months to work and
19 deliberate before something is put
20 forward and possibly placed on
21 ballot.

22 In your individual or
23 collective judgment, do you think
24 we have the time as well as the
25 capacity to put something cogent,

1 creative, productive, useful on the
2 charter on the ballot for Charter
3 Revision.

4 MR. BROOKS: I certainly
5 belief you have the capacity. You
6 are a very impressive commission
7 that the Mayor put together. And I
8 certainly believe the capacity is
9 there.

10 Clearly, it would take a lot of
11 work.

12 One of the things I want to
13 point to with regard to the Mayor's
14 Management Report, you know, first
15 I want to clarify an impression or
16 misimpression that I may have left
17 and that is that this
18 administration has done an
19 excellent job in reformulating the
20 Mayor's Management Report.

21 I did say that in my initial
22 statement that we -- that the
23 controllers office had done a
24 report, the mayor's office was
25 extremely responsive. It is a

1 much more user friendly document.
2 Where I come from on the mayors
3 management reports and what, if
4 anything, is important to you as a
5 commission as you go forward is
6 just as Dennis Smith said that a
7 survey can be a game and a survey
8 can be used for political purposes.
9 That is also true in the Mayor's
10 Management Report. And I get
11 extremely concerned that data goes
12 in and data goes out depending
13 upon where we may be in an election
14 cycle.

15 I have seen it over my years in
16 city government that that has been
17 the case.

18 You walk on a very fine line as
19 a Charter Commission. I believe
20 the Charter itself should not be so
21 prescriptive to hamstring agencies,
22 to basically put in formulas
23 together that maybe irrelevant in
24 three or four years particularly
25 with technology.

1 I almost look at the way we've
2 handled procurement in the city
3 charter. You would never include
4 all of your procurement rules in
5 the Charter because procurement
6 changes so over time.

7 However, we established a
8 procurement policy board as many of
9 you of course realize that that is
10 charged with putting together
11 rules.

12 Perhaps looking at some
13 mechanisms eluded to that in my
14 comments, look at some mechanism to
15 have some independant body that
16 does the prescriptive work so that
17 we can always ensure the integrity
18 of the data that is included or the
19 data that are removed from the
20 Mayor's Management Report.

21 Maybe something that you want
22 to consider.

23 MS. COHN: I'm speaking now
24 only for myself; but I am very
25 concerned about -- Commissioner

1 Abrams, I was thinking about your
2 work; because I think that what we
3 are doing and the way you are doing
4 it is so much, if I may say so,
5 than some previous Charter Revision
6 Commissions have done. And it's so
7 thorough and you are still in the
8 process of talking to agencies and
9 people and I truly do not think
10 that the general public is aware of
11 what I have been doing and what you
12 are thinking about.

13 And we have general election
14 coming up and I have to admit
15 myself -- and I love this topic --
16 but when I heard that this
17 Commission was being formed before I
18 knew who was on it, I said to
19 myself oh, no, not another Charter
20 Revision Commission.

21 So, I think that the work you
22 have to do surely you are
23 intellectually capable of doing it;
24 but I'm concerned about whether
25 you'll have time to explain this to

1 the public for them to appreciate
2 how important it is and for this to
3 be acted on favorably in this next
4 election.

5 I don't know whether you have
6 time or whether you could possibly
7 postpone it; but I'm really
8 concerned with you coming up with
9 wonderful ideas and it just getting
10 lost and the other, misused before
11 the public right now.

12 MR. FOUNTAIN: I want to go
13 back to a remark of Jack and Dennis
14 and Barbara and that is one of the
15 mistakes I see is that it's not
16 getting the information used
17 internally to manage with and join
18 I don't know whether that's
19 possible to do anything about in
20 the Charter; but -- or whether it's
21 even appropriate to do anything
22 about; but to me that is a big
23 issue, critical issue that comes
24 forth--

25 CHAIR FUCHS: Before you

1 continue, maybe I could make one
2 point of clarification that could
3 be helpful to commenting in this
4 area.

5 While we are a very opened
6 Charter Commission process and so,
7 we are not necessarily going to put
8 anything on the ballot in November
9 if we feel that -- as Terry
10 Matthews would put, it is not
11 cooked yet -- if it is not ready
12 yet.

13 So, it is sort of a two part
14 question, if I could rephrase
15 commissioners Abrams' question;
16 which is, there may be some things
17 where A. ready to put on the
18 charter in November and there may
19 be other things which we need to
20 carry over and make proposals
21 either for a new Charter
22 Commission/City Legislative
23 Commission.

24 In each of the areas we have
25 focused on, it's clear to us there

1 is a variety of different
2 approaches one could take.

3 So, we have taken it upon
4 ourselves actually to use this
5 opportunity and make potentially --
6 if necessary to make proposals to
7 other agencies of government to
8 act. If we feel, as a Commission,
9 that it's immature to act or
10 inappropriate.

11 So, I would actually, in some
12 ways, rephrase the Commissioners'
13 question; because there are certain
14 things I think the Commission says
15 at this point that may be
16 appropriate. We are awaiting the
17 results of the survey that we did
18 which is an elite user survey and
19 we will see what we get back from
20 them on these 31 reports that if it
21 was not for the fact that Terry
22 Matthews is persistent and we have
23 a terrific staff, we would of never
24 been able to put that together.

25 There is no document like that

1 and surprise, surprise the fact
2 that you can not identify all of
3 those reports basically means that
4 99.9999 percent of the people of
5 the City of New York cannot
6 identify those reports.

7 And so, I would say just bear
8 that in mind and I would say from
9 the point of view of being somewhat
10 under the radar screen in terms of
11 the attention, that has been a
12 great gift to us and a benefit to
13 us that I think has helped us be
14 serious about the kind of things we
15 are looking at.

16 And obviously we want as much
17 public input; but to the extent
18 that we have managed to stay out of
19 the so called political fray I
20 think has been an advantage to the
21 work of this Commission.

22 So, to get us back to the
23 Commission at hand, I would say is
24 there a way of framing something
25 about reporting requirements in the

1 Charter that help us you know, sort
2 of deal with this proliferation of
3 reports; which in fact might have
4 been relevant at the time in which
5 they were created; but then a
6 review process, maybe a sunseting,
7 you know, approach -- this is
8 something that has come up in a
9 variety of conversations we had
10 that you know, not that it's
11 automatically eliminated, we have
12 very cognizant of what Greg Brooks
13 what talks about, which is we do
14 not want to be in a position of
15 viewed of withdrawing information
16 that is important to the public
17 very very broadly construed there
18 is this ball of what are we using
19 this information for?

20 What do we need it for?

21 Are we taking up time?

22 And are we doing this overload
23 so that in fact the good and useful
24 -- I should not say good that is
25 too much of a normative phrase

1 here; but the useful information
2 getting lost in this barrage of
3 report.

4 And I think that the -- you all
5 as experts as well as the members
6 of this Commission which are highly
7 expert too were so surprised by
8 this that it does really give me
9 cause as Chair of this Commission
10 if this group was surprised by the
11 level of requirements in the
12 Charter for reporting and what is a
13 good.

14 What is it good for then it
15 seems to me this is really ripe
16 already for something.

17 Now, we don't want to go and
18 move forward with something that is
19 not useful. Our primary concern in
20 this area of course is to do no
21 left arm first; but where I think
22 with all due respect to the
23 Commissioner's question, I think we
24 are in a position to do something
25 here. You know, not necessarily

1 something very dramatic that will
2 look like we have to the really
3 deliberated long enough; but I
4 think that there is enough work
5 that has been done that that is
6 consensus in this room at this
7 point that something is wrong with
8 this picture in terms of the
9 requirements of the Charter in
10 terms of what we are getting from
11 this both in terms of public policy
12 and public management.

13 Do you want to add to that
14 Commissioner McCormick?

15
16 COMMISSIONER McCORMICK: I'm
17 not sure whether I'm adding or
18 abstracting or moving sideways; but
19 I was struck by Jack Ukeles'
20 comment about does the Charter
21 support a coherent plan and
22 management structure and not just
23 analyst of the 31 reports; but what
24 is there and what is missing.

25 And I would be interested,

1 Jack, if you could say something
2 about how -- how far we are years,
3 months, days from being able at
4 least to sketch that out in a
5 preliminary way if you were -- if
6 you had the assignment or Dennis
7 had the assignment or anybody that
8 had assignment you.

9 MR. UKELES: Let me, if I
10 may, package Commissioner
11 McCormick's question with
12 Commissioner Abrams' question.

13 My -- on the one hand, I think
14 we are conceptually far away but
15 practically we are not.

16 In other words, what you are
17 looking at is like I said
18 archaeology in reverse. We have
19 people laying down layers, not a
20 lot of, you know, maybe certain
21 amount of thought given in
22 connections but nothing has been
23 really done.

24 So, conceptually, you are
25 starting over, that is to say that

1 someone has to sit down and say,
2 Okay, what should be the structure
3 of performance and accountability
4 relating and planning reporting for
5 the City of New York.

6 Now, that is a blank piece of
7 paper question. I would start that
8 way.

9 Now, it will turn out -- so
10 conceptually, it is a very big job.
11 And practically, I don't know how
12 big a job it is; cause an awful lot
13 of the pieces are there.

14 I mean in such a system I would
15 want to start with social
16 indicators or indicators of the
17 state, of the city it is perfectly
18 plausible to start.

19 I would want to move to overall
20 city strategy and you have a piece
21 of that.

22 I would want to look for some
23 multi-year plan and you have a
24 piece of that.

25 I would want to be able to

1 relate capital and operating and
2 you have the pieces.

3 I would want to be able to
4 relate money and outcomes -- well,
5 they are not related now but again
6 the pieces are there and brings me
7 back to Commissioner Abrams
8 question and Commissioner Fuchs --
9 Chair Fuchs comments.

10 I think that if you moved
11 aggressively over the next several
12 months, you could test the
13 proposition, which I am offering,
14 which is that this is very doable,
15 that creating a coherent structure
16 is doable. I may be right, I maybe
17 wrong. You could test that fairly,
18 quickly and I think you then can
19 take a look at it and then you say,
20 oh, my God, this is much too
21 aggressive, let's pull off a piece.
22 That you can start with or you
23 might say, This is really pretty
24 good. We can really do it.

25 Then the question become can

1 you do it and sell it in the amount
2 of time left.

3 I have no question you can do
4 it. Whether you can do it and I'm
5 using sell in the broad sense,
6 look, if Barbara Cohn is correct
7 and you know, it's great to be
8 under the radar screen and it does
9 give you some flexibility vis-a-vis
10 the political noise in this town;
11 but on the other hand, at some
12 point if at the end of the day no
13 one cares then the outcome of the
14 Charter Revision vote is gonna be
15 arbitrary.

16 So, it means the question then
17 become is there a way to build a
18 probe of form constituency in a
19 relevant short period of time that
20 would relevantly carry what you are
21 saying I don't know. I have a
22 hunch it is not doable by this
23 November, I'm not sure, it's a hell
24 of a challenge; but I have no
25 question you can do the homework

1 and you can do the homework at
2 least to find out how tough it's
3 gonna be, how many toes are you
4 treading on, what is it really
5 going to take to move this thing
6 and then you can always back down
7 to an internal or a partial
8 approach.

9 But my instinct here are to
10 start with the big and try do
11 create a coherent picture.

12 And if it is too hard, you
13 know, there are a lot of other
14 things you could do that are good
15 for the city.

16 MR. SMITH: When I was
17 talking to Chair Fuchs before the
18 meeting about the conversation -- I
19 was taken by the fact to make that
20 suggestion went above, side or
21 below the whole charter reform
22 project. This is a group of people
23 who are placed and oriented use
24 information to improve something
25 even if it did not stuck to the

1 Charter discussion and I continue
2 to feel that way. And I think a
3 lot of the comments we all made are
4 speaking to this broader issue of
5 improving government and Charters
6 are part of that.

7 I am lessened of the notion
8 that we could ever imagine the
9 comprehensible solution of what we
10 have been talking about and the
11 question that I had with Chairman
12 Fuchs I point out my logic of
13 models connecting to -- I
14 increasingly emphasize the
15 environmental dimension and impacts
16 on every aspect and we have a
17 budget this time period but a lot
18 of times we don't.

19 So, this is stated and did a lot
20 of our city agencies use funds and
21 all our procedures; and if we were
22 to do a careful diagnosis of the
23 constraints that impedes coherent
24 performance management, I'm not
25 sure how any of those would be

1 locally found but they would be
2 imbedded in other places in our
3 system.

4 So, I think we have to kind of
5 be not too grandiose in sort of
6 making our -- setting our targets
7 here and know that. Even so, there
8 are a lot of things that have been
9 demonstrated and things that are
10 reported with important,
11 improvement that we can deal with.
12 I think that it is an exercise of
13 balancing -- looking at that; but
14 not getting too slayed.

15 If we find that in fact
16 coherence is not on the horizon.

17 I do want to say with respect
18 to Jay's comment about, you know,
19 people are not using performance
20 measures to manage. That is a
21 conclusion I came up with in an
22 earlier report in the recent stuff
23 I have been doing. I have been
24 talking about the fact that so much
25 has happened to appreciate how many

1 agencies have moved in the
2 direction of evidence based
3 decision making.

4 Tomorrow morning at the Wagner
5 School, we have a forum with the
6 Commissioner of H. R. A, Linda
7 Gibbs. They are actually using
8 information to assist in the
9 strategic planning and the
10 management initiatives.

11 They have come up with
12 extremely impressive information on
13 data and planning and monitoring
14 beyond Com Stat. of police and
15 information impact.

16 Wagner School has been having
17 these policy breakfasts every so
18 quarter or so with Commissioners
19 talking about their efforts at
20 large scale change and improving
21 outcomes and, you know, the
22 conversations are off the record;
23 but I can tell you that commission
24 after commission in some part of
25 the agency or another and more

1 broadly than others are using this
2 approach. There is mandates, they
3 all do and it's part of the city
4 wide mandate program in health
5 departments in buildings, in fire
6 departments, which is a very tough
7 nut to crack; because there are a
8 lot of constraints there are but
9 they are on the verge of making a
10 lot of breakthroughs Scopetta did
11 it in a. C. S. And they are trying
12 to bring some to -- transportation
13 another former student -- have
14 talked about another forum C. B. C.
15 Where I attended also how to use
16 dot move D.O.T. move on the focus
17 of moving traffic and moving safety
18 those sort of things are
19 accomplished in these Mayor's
20 Management Report that we are
21 living under now.

22 We have had the point that the
23 Fund for the City of New York have
24 gone out and audited independently
25 of the other measurements that the

1 city is using and we have some sort
2 of checks and balances that we get
3 partly from the counsel and
4 Comptroller; but I think better for
5 the fact that people increasingly
6 feel they need evidence to
7 prescribe the forum and is to carry
8 out forums.

9 So, I just want to bring it up
10 to date.

11 CHAIR FUCHS: We are over
12 time.

13 But this is been I think such a
14 fruitful and helpful discussion.

15 I just want to really thank
16 very much all of you for attending
17 today and sharing your knowledge
18 with us. We will be back to you.
19 All of these suggestions I think
20 have been very helpful and
21 hopefully you will stay engaged in
22 the Charter Revision process as we
23 move forward on this really
24 important issues.

25 We will now take a break before

1 we start our public hearing which we
2 will convene at 6:30.

3 (Whereupon, a brief recess
4 was taken at 6:12 p.m.)