

# Governor Carney Creates Government Efficiency and Accountability Review Board

*Governor signs Executive Order #4 establishing the GEAR Board to identify efficiencies*

**DOVER, Del.** – Governor John Carney signed Executive Order Four on Thursday, establishing the Government Efficiency and Accountability Review Board (GEAR) to identify, on an ongoing basis, opportunities for cost savings in state government.

*Members of the board are listed in the text of the executive order, which is available below.*

The board, which will begin meeting in the next month, will develop recommendations for increasing efficiency and effectiveness across state government. Its members will explore ways to improve the strategic financial planning process, and expand the use of metrics in determining how to allocate state resources.

The board's recommendations will be intended to consistently improve the way the state delivers services, and to improve the quality of those services.

“We need a serious, permanent effort to identify cost savings and efficiencies in state government, and that's what we'll get with the GEAR Board” said **Governor Carney**. “We must do things differently than we've always done them, and find smarter ways to operate more effectively and protect taxpayer dollars. Delawareans expect us to responsibly manage their money, and we're committed to doing just that.”

Each year, by December 1, the GEAR Board will submit a report to the Governor, including recommendations that may be

included in the recommended state budget. Recommendations may include ways that state government agencies can share services, and new methods for improving the recruitment, development and retention of state employees.

By May 1 of this year, the Director of the Office of Management and Budget and the Secretary of Finance will produce a report for the Governor, including recommendations for the General Assembly's Joint Finance Committee to review as its members finalize the Fiscal Year 2018 state budget.

Annual reports of the GEAR Board will be made public.

"Our challenge as a government is providing the services that residents want and need in their daily lives, while keeping costs down," said **Representative Melanie George Smith, D-Bear, co-chair of the Joint Finance Committee**. "We on the Joint Finance Committee appreciate what Governor Carney is doing by looking for ways to cut costs, and fund services responsibly for our taxpayers. Our goal is to continue providing necessary, quality services at a good value."

"I think Delawareans should be heartened by the efforts of both the legislative branch – through the Joint Finance Committee – and now the Governor's Office, to do a top-down review of our budget as we grapple with challenges this year and beyond," said **Senator Harris McDowell, D-Wilmington North, co-chair of the Joint Finance Committee**. "We are all committed to leaving no stone unturned when it comes to balancing our budget in a way that protects working families. And on June 30 we will deliver a balanced budget that meets the needs of all our citizens."

"It's prudent to constantly reassess how we can make government more effective and responsive," said **Delaware House Minority Leader Danny Short, R-Seaford**. "My hope is that this effort produces tangible suggestions that lead to implemented results, not only to improve government, but to increase the

success of our economic development initiatives.”

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EXECUTIVE ORDER

NUMBER FOUR

TO: HEADS OF ALL STATE DEPARTMENTS AND AGENCIES

RE: ESTABLISHING THE GOVERNMENT EFFICIENCY AND ACCOUNTABILITY  
REVIEW BOARD

WHEREAS, the United States and the State of Delaware have experienced sustained but modest economic growth over the past eight years in the aftermath of the nation’s extraordinary economic setbacks suffered in 2008; and

WHEREAS, the combination of modest economic growth, a decline in labor force participation rates due to an aging population, and the State’s unique revenue mix have each contributed to modest revenue growth over the past eight years and DEFAC has forecasted that revenue growth may continue to be constrained by these factors for years in the future; and

WHEREAS, the State of Delaware current forecasts a \$350 million gap for fiscal year 2018 and DEFAC anticipates continuing budget gaps well into the future unless expenditure growth is constrained and/or revenues are increased; and

WHEREAS, the State of Delaware is committed to the most transparent and responsible use of taxpayer funds as it strives to overcome fiscal challenges, while promoting a smarter and more efficient State government; and

WHEREAS, the State has periodically undertaken top to bottom reviews of State spending but has failed to institute a permanent and ongoing program to continuously identify, monitor, and implement programs, policies and processes that bend the cost curve downwards, boost efficiency and cut costs elsewhere within State government.

NOW, THEREFORE, I JOHN C. CARNEY, by virtue of the authority

vested in me as Governor of the State of Delaware, do hereby DECLARE and ORDER the following:

1. The Government Efficiency and Accountability Review Board (GEAR) is hereby established to develop recommendations for increasing efficiency and effectiveness across State government, including by improving the strategic planning process, improving the use of metrics in resource allocation decisions and developing continuous improvement practices.
2. GEAR shall consist of the following members:
  - a. The Director of the Office of Management and Budget (OMB);
  - b. The Secretary of Finance;
  - c. The Secretary of the Department of Technology and Information;
  - d. The Controller General;
  - e. The State Treasurer;
  - f. The Chief Justice of the Delaware Supreme Court;
  - g. The Secretary of Health and Social Services;
  - h. The Secretary of Education;
  - i. A representative from the Delaware business community appointed by the Governor; and
  - j. A representative from AFSCME appointed by the Governor.
3. A Chair and Vice Chair, or Co-Chairs, shall be appointed from among the members and shall serve in that capacity at the pleasure of the Governor.
4. Members serving by virtue of position may appoint a designee to serve in their stead and at their pleasure.
5. The Governor may increase the size of GEAR and appoint additional members at his pleasure.
6. The Executive Sponsors of the initiative will be the Director of OMB, the Secretary of Finance, and the Controller General.
7. GEAR shall convene in February, or soon thereafter, and its scope of work shall include, but not be limited to,

the following:

- a. Developing ideas for potential cost savings and driving implementation of cost savings opportunities for shared services across State government and public education, including in areas such as human resources, information technology, accounting and financial management, management of State assets, professional development and the use of administrative support positions, to better focus resources on the direct delivery of services to the public;
  - b. Identifying the numerous quality improvement initiatives existing across State government and recommending ways the initiatives might work together to establish continuous improvement programs across the State, including by exploring and expanding partnerships with the Delaware Manufacturing Extension Partnership, the Delaware Quality Partnership, and the State's higher education network;
  - c. Recommending changes to the Delaware Government Accountability Act that will better drive strategic planning, help develop meaningful performance metrics, foster more effective monitoring of performance and allocation of scarce resources as part of the budget process, and promote continuous improvement programs throughout State government; and
  - d. Identifying changes in the State personnel system that would foster a culture of continuous improvement and improve the recruitment, development and retention of State employees.
8. No later than May 1, 2017, the Director of OMB and the Secretary of Finance shall issue to the Governor a report containing preliminary recommendations they wish the Joint Finance Committee to review when considering the fiscal year 2018 budget. The preliminary report of GEAR shall be a public document.
  9. No later than December 1 of each year, or at an earlier date requested by the Governor, GEAR shall submit to the

Governor a report containing recommendations the Governor may include in the Governor's Recommended Budget. The completed report of GEAR shall be a public document.

10. Administrative support for GEAR shall be provided by existing staff within OMB, the Department of Finance, the Department of Education, and other State government agencies whose employees have experience in quality management and continuous improvement practices.

APPROVED this 16th date of February 2017.

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John C. Carney  
Governor

ATTEST:

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Secretary of State