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Minnesota
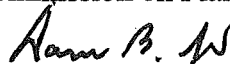DEPARTMENT OF ADMINISTRATION

DATE: March 6, 2009

TO: Subcommittee on Government Accountability,
Commission on Planning and Fiscal Policy

FROM: Dana B. Badgerow, Commissioner

SUBJECT: **Report on Minnesota Milestones Indicators**

In accordance with Chapter 318, Article 1, Section 2 of 2008 Session Laws, the Department of Administration convened a working group to assist in the use of Minnesota Milestones as required under Minnesota Statutes, Section 16A.10, subdivision 1c: "To the extent possible, each budget change item must identify Minnesota Milestones . . . related to the proposed (budget) initiative." Additionally, the legislation calls on the working group to consider collaborative opportunities with community organizations and higher education institutions regarding Minnesota Milestones or similar indicator system.

The working group was convened in August 2008 to examine the status and usability of the 70 Mile-stones indicators, which were developed in the early 1990s. The working group consisted of experts on statistical measures from various agencies of Minnesota state government and the private sector.

The working group found that the indicators have not been maintained for nearly a decade and would require substantial revisions, modifications and updating. In addition, if the indicators are to be used on a regular basis as required by MS16A.10, an ongoing commitment of resources is necessary.

A possible alternative to restructuring and maintaining Milestones indicators will soon be available. Wilder Foundation, in cooperation with other organizations, is extending their Twin Cities Compass effort to statewide. Many of the indicators Compass uses are the same as or similar to those of Milestones. One possible option, which would prevent confusion and costs of duplication of effort, would be for the State of Minnesota to work cooperatively with Wilder Foundation to develop and maintain the Minnesota Compass indicators in lieu of maintaining Milestones indicators.

Attached for your review is the working group's report.

Attachment

cc: Tom Hanson, Commissioner, Minnesota Management & Budget

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Report to the 2009 Legislature

Review And Analysis Of Minnesota Milestones
As A Tool For Budgeting Under MS. 16A.10 Subd. 1c
by the Working Group for Minnesota Milestones
Process and Indicators

Review And Analysis Of Minnesota Milestones As A Tool For Budgeting Under MS. 16A.10 Subd. 1c

Summary & Recommendations

Minnesota Milestones was developed in the early 1990s. The objective was to identify a shared vision for Minnesota's future and then use statistical indicators to measure progress towards that vision.

The shared vision was condensed from numerous facilitated group interviews involving thousands of Minnesotans. The statistical indicators to measure progress toward the vision were identified by staff of the Minnesota Office of Strategic and Long Range Planning. The indicators were regularly updated until 2002. Minnesota Milestones since 2002 exists as a legacy website.

The 2008 session of the Minnesota Legislature charged the Department of Administration with convening a working group to assist in the use of Minnesota Milestones for M.S. 16A.10 subd 1c. The workgroup began its review of the 70 Milestone indicators in August 2008.

Of the 70 indicators, the workgroup identified 15 that can be updated without further change, 42 in need of substantial modification, 11 that should be discarded, and two for which there is a difference of opinion.

Substantial work is needed to update Minnesota Milestones indicators to the point that they would be a useful tool for budget priority purposes. In addition to modifying most of the existing indicators, adding new indicators to fill the vacancies left by existing indicators which are no longer available or appropriate, and updating all the indicators to the most recent available data, the internet interface for Milestones is dated (mid 1990s vintage) and needs substantial restructuring to bring it up to current standards. The workgroup estimates 2 to 3 FTE for 9 to 12 months to bring Milestones up to date, and an additional 1 FTE to maintain Milestones on an ongoing basis.

The working group identified Minnesota Compass as a potential alternative:
   a. Minnesota Compass is substantially similar to Minnesota Milestones, each with goals representing a vision of Minnesota in the future and statistical indicators measuring progress towards the goals.
   b. Twin Cities Compass is an existing, up-to-date indicators project, hosted at Wilder Foundation and co-sponsored by several major foundations in Minnesota.
   c. Development for Minnesota Compass (the statewide equivalent) has begun, with a preview planned for March or April 2009 and full implementation by fall 2009.
   d. Minnesota Compass, like Twin Cities Compass, is funded by several organizations and is therefore likely to continue on a consistent basis.
   e. The advisory group for Compass includes a number of recognized experts from academia, the private sector, state and local government and the not-for-profit sector.
   f. Staffing for Minnesota Compass is approximately 5 FTE for the development phase and 2 FTE for maintenance. Bringing Milestones back to a current and useful product would require a similar level of effort.

Working Group On Minnesota Milestones

Article 1, Section 15 of House File 3494 of the 2007-08 legislative session states:

Sec. 15. **WORKING GROUP FOR MINNESOTA MILESTONES PROCESS AND INDICATORS.**
   By September 1, 2008, the commissioner of administration shall convene a working group of state agency staff, legislative staff, and other interested parties to assist in the use of Minnesota Milestones as required under Minnesota Statutes, section 16A.10, subdivision 1c. The working group shall consider collaborative opportunities with community organizations and higher education institutions. The working group expires on February 27, 2009.

The working group was convened in August 2008. Members of the working group included statistical experts from state government, community organizations and higher education. The working group examined each of the 70 indicators of Minnesota Milestones and made recommendations on each. The recommendations were made on the following criteria:

1. **Relevant.** The measure relates to stated topic goals.
2. **Valid.** The measure truly measures what it is intended to measure.
3. **Time-series.** The measure is regularly collected the same way.
4. **Leading.** The measure signals broader changes to come.
5. **Policy-responsive.** The measure can be impacted by policy changes.
6. **Affordable.** The measure can be easily collected without special expense.
7. **Understandable.** The measure is easy for the target audience to understand.
8. **Comparable.** The measure allows for comparisons among groups and regions.
9. **Nationally standardized.** The measure allows for comparisons among nations, states or regions.
10. **Outcome-oriented.** The measure reflects actual impacts on the community rather than changes to inputs, such as funding.

While all of these criteria are important, there is also an implied order in this list, with the first six designated as *primary* criteria and the next four as *secondary* criteria.

The working group also reviewed an existing and similar indicator system, Minnesota Compass (currently under development), as a possible alternative to resurrecting Minnesota Milestones.

Minnesota Milestones History

Minnesota Milestones was developed in the early 1990s. At the core are five central themes representing different dimensions of a vision for Minnesota's future. The vision was distilled from facilitated group interviews with thousands of Minnesotans from all areas of the state. The participants were asked to think about the Minnesota they would want for their children and grandchildren. The interviews were conducted in 1991.

Notes from the group interviews were reviewed and condensed. This process resulted in five central themes:
- Minnesota will be a community of people who respect and care for one another.
- Our economic activity will create wealth and provide a good standard of living for all our people.

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- Our citizens will be good thinkers, creative, always learning, with the skills to compete internationally.
- We will protect and enjoy the natural world.
- Our government will be responsive, effective and close to the people.

The five central themes were further divided into 19 public policy goals. For example, under the second central theme, related to economic activity, are five policy goals:
1. Minnesota will have sustainable, strong economic growth.
2. Minnesota's workforce will have the education and training to make the state a leader in the global economy.
3. All Minnesotans will have the economic means to maintain a reasonable standard of living.
4. All Minnesotans will have decent, safe, affordable housing.
5. Rural areas, small cities and urban neighborhoods throughout the state will be economically viable places for people to live and work.

Each of the 19 public policy goals has associated with it at least two statistical indicators designed to indicate progress toward the public policy goal. So, for example, under the "Our economic activity will create wealth and provide a good standard of living for all our people" theme are five policy goals, and progress toward the five policy goals is measured by 17 statistical indicators.

Minnesota Milestones began in 1991, with regular updates to the statistical indicators until 2002. The statistical indicators, web site and other elements of Milestones have not been maintained since 2002. Minnesota Milestones currently exists in a legacy website at http://server.admin.state.mn.us/mm/goal.html.

Detailed Milestones Indicators Review & Evaluation

The 70 Minnesota Milestones indicators were divided into nine clusters for evaluation. The groups were:
1. Economic growth
2. Transportation
3. Public safety and criminal justice
4. Health
5. Environment
6. Human services
7. Distribution of economic benefits
8. Education
9. Civic engagement

Members of the working group were assigned clusters of indicators for evaluation according to their areas of professional expertise. The results of this exercise are:

	Indicator	Recommendation	Comment
1	Child poverty	Modify	Align with NAS poverty definition.
2	Low-income school children—free/reduced lunch	Keep	

3	Satisfaction with child care	Discard	Phone survey based. Parents may be reluctant to voice concerns of care in phone survey. This indicator shows little variance.
4	School transfers	Discard	Migration does not correlate with transiency.
5	Child abuse and neglect	Modify/Discard	This measure can change with funding for county staff involved in assessment. Either adjust for this effect or discard.
6	Teen pregnancy	Modify	Use births rather than pregnancies due to reporting.
7	Runaways	Keep	
8	Low birth weight	Modify	Lack link between low weight and school readiness.
9	On-time immunization	Modify	Data no longer available. Use CDC survey for Mn children 19-35 months who are up to date on immunization.
10	Preschool child development	Modify	Needs to be adjusted to participation rates.
11	Elementary school skills	Modify	Replace with MCA scores.
12	Eighth-grade basic skills	Modify	Replace with MCA scores.
13	College entrance scores	Modify	Replace with grades 10 and 11 reading and math scores to avoid selectivity of college bound.
14	High school graduation	Modify	Align with national standard graduation rate calculation.
15	Health insurance	Modify	Use MnHA survey, not CPS.
16	Infant mortality	Keep	
17	Life expectancy	Modify	Available only once or twice a decade. Use expectancy at birth only.
18	Premature death	Modify	Compute YPLL using 75 as the indicator age as does the NCHS.
19	Smoking and tobacco use	Modify	For comparison, use high school prevalence similar to the National Youth Risk Behavior Survey System.
20	Suicide	Modify	Include with homicide and possibly other violent death.
21	Sense of safety	Modify	The suggestion is to keep this measure but provide ongoing funding for the survey to collect the data.
22	Violent and property crimes	Modify	Find a way to measure non-reported crimes in addition to reported.
23	Juvenile apprehensions	Modify	Include both juvenile and adult apprehensions charged with violent and serious crimes.
24	Volunteer work	Keep	

25	Nearby support	Keep	As long as the survey question on which it is based is stable over time.
26	In-home help for older people	Modify	Definitions of "help" are an issue as is consistency of the survey questions over time.
27	Welfare to work	Discard	Too many changes over time to make this reliable.
28	Food shelf use	Modify	Is not an unduplicated count. An alternative would be the Wilder survey of food shelves/on site meals.
29	Homelessness	Modify	Use Wilder survey, not Census or OEO data.
30	Bias crimes	Modify	Maintaining a time series is a problem with this measure.
31	Minority teachers	Keep	
32	Employment of people with disabilities	Keep	There is a problem with definitions in time series.
33	Transportation for people with disabilities	Discard	Remaining number is small.
34	Voter turnout	Modify	Use voting eligible rather than voting age.
35	Check-off campaign contributions	Discard	Not a measure of participation.
36	Satisfaction with government services	Discard	Too vague.
37	Price of government	Keep	But need to explain this better. There is much confusion about this measure.
38	Growth in gross state product	Modify	To per capita GSP or per capita personal income.
39	Employment of working-age population	Discard	In favor of #46.
40	Energy efficiency of the economy	Keep	
41	Post-high school education and training	Keep	
42	Job placement after two-year college	Discard	
43	Adults with college education	Modify	Reconcile differences between CPS and ACS and detail to levels of degrees.
44	Median family income compared to US median	Modify	Measure in inflation adjusted dollars.
45	Poverty rate	Modify	Align with NAS poverty definition.
46	Availability of full-time work	Keep	
47	Housing costs	Keep	
48	Home ownership	Keep	

49	Counties losing population	Modify	Look at migration rather than overall growth.
50	Net gain in businesses	Modify	Use QCEW. Business tracking not available.
51	Regional disparity in unemployment	Modify	Compare with low rate areas rather than state average.
52	Unrestricted highways	Discard	Few miles remain.
53	Urban home values	Discard	Differences may reflect mix of sales not values.
54	Freeway congestion	Modify	Modify with travel times for key routes at peak times.
55	Energy use per person	Keep	
56	Renewable energy sources	Keep	
57	Vehicle miles	Difference of Opinion	Difference of opinion. One view is to keep and another is that this is not a reliable measure of energy use or air pollution.
58	Air pollution	Modify	Use PCA measure of ambient levels for key pollutants as percent of national standard. Alternatively, focus on greenhouse emissions per capita.
59	Water use	Modify	Convert to MGD used per capita and add factor for "relative use intensity."
60	Timber harvest	Modify	Convert to percent of harvest that occurs under certified sustainable forest management methods.
61	Solid waste and recycling	Difference of Opinion	One view is to keep but concern was expressed about the impact of budget cuts on the quality of the data. Another recommends separate waste and recycling. Measure tons generated per capita and, separately, percent reused or recycled or GDP per capita attributed to recycling industry.
62	Toxic chemicals	Modify	Complement the TRI data with select detection incidence data.
63	Urban air pollution	Modify	Add small particulates data.
64	Water quality in lakes and rivers	Modify, with qualifications	Use lake Secchi disk readings. Impaired waters data is important but fails the time series criteria. Could also look at streams impaired for aquatic life and separately lakes impaired for recreational use. One comment — "this gets complicated pretty quickly."

65	Nitrate in ground water	Modify	Make this two measures: first, the percent of private water supplies with nitrate levels above drinking water standard; and second, percent with nitrate levels above 1 ppm.
66	Erosion of cropland	Discard	A more important measure is turbidity.
67	Wildlife habitat	Modify	Reexamine the species tracked and include only native species.
68	Changes in land use	Modify	Replace federal NRI data with remote sensing data that is more broadly based.
69	Parkland and open space	Modify	Convert this to a quality measure.
70	Recreational trails	Modify	Convert this to a quality measure or actively Maintained.

Of the 70 Milestones indicators, the working group identified 15 that can be updated without further change, 42 that are in need of substantial modification, 11 that should be discarded, and two for which there is a difference of opinion. Repairing, updating and modernizing Minnesota Milestones requires a substantial commitment of time and effort. Once completed, maintaining an ongoing effort to continuously update the indicators is essential. These efforts would likely require some additional financial resources.

A Possible Alternative - Twin Cities Compass/Minnesota Compass

Minnesota Compass, a system of indicators similar to Minnesota Milestones, may be an alternative to the major restoration work necessary to update Milestones. Twin Cities Compass is available at http://www.tccompass.org/ and provides comprehensive indicators for the Twin Cities metropolitan area. The statewide version, Minnesota Compass, is currently under development and scheduled to be completed by fall 2009.
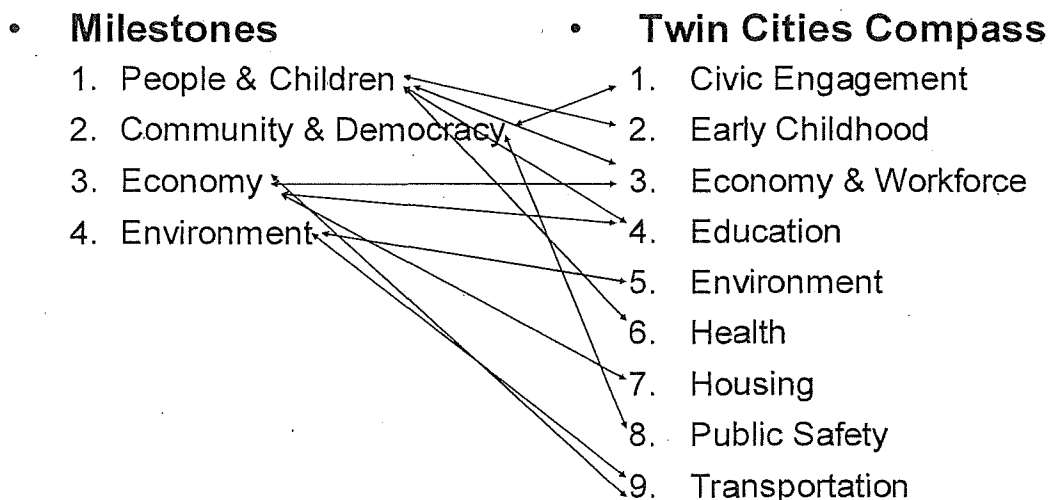
Twin Cities Compass is an existing, up-to-date indicators project, hosted at Wilder Foundation and co-sponsored by several major foundations in Minnesota. Development for Minnesota Compass (the statewide equivalent) has begun, with a preview planned for March or April 2009 and full implementation by fall 2009. Minnesota Compass, like Twin Cities Compass, is funded by several organizations and is, therefore, likely to continue on a consistent basis.

The advisory group for Compass includes a number of recognized experts from academia, private sector, state and local government and the not-for-profit sector.

Staffing for Minnesota Compass is approximately 5 FTE for the development phase and 2 FTE for maintenance. Bringing Milestones back to a current and useful product would require a similar level of effort.

In many respects, Compass is similar to Minnesota Milestones. Both begin with identified goals for Minnesota's future. Furthermore, the goals are similar. The nine Compass goals align with the four general Milestones goals:

Milestones & Compass Goals Are Similar In Many Respects

- **Milestones**
  1. People & Children
  2. Community & Democracy
  3. Economy
  4. Environment

- **Twin Cities Compass**
  1. Civic Engagement
  2. Early Childhood
  3. Economy & Workforce
  4. Education
  5. Environment
  6. Health
  7. Housing
  8. Public Safety
  9. Transportation

Three examples of the close correspondence of Minnesota Milestones Goals and Compass goals are:

Compass Environment Goal — A clean and healthy environment that contributes to our region's well-being now and into the future.
Milestones Environment Goal — We will protect and enjoy the natural world.

Compass Civic Engagement Goal — Our region will foster a climate of inclusion that encourages active participation from everyone living in our community.
Milestones Civic Engagement Goal — Minnesota will be a community of people who respect and care for one another.

Compass Economy and Workforce Goal — A strong regional economy that encourages business investment and provides employment opportunities for workers at all skill levels.
Milestones Economy Goal — Our economic activity will create wealth and provide a good standard of living for all our people.

Twin Cities Compass has 38 indicators. Each indicator is also compared to other areas and other characteristics, such as income, race and poverty, up to 12 different ways. The total number of indicators and comparisons is substantial. Minnesota Compass will have a similar structure.

Contributing To This Report

Numerous people contributed to this report by reviewing indicators and providing other professional advice and input. They include:
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