Education - Build a World-Class Public Education System

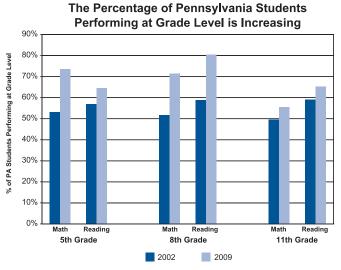
Pennsylvania is committed to: providing all students with an education that prepares them for high-skills careers, funding educational practices proven to boost student achievement, empowering students to succeed and establishing an adequate long-term school funding system.

WHAT WE ARE ACCOMPLISHING:

- Preparing children for school with early learning programs. In 2008-09, Pennsylvania's nationally recognized Pre-K Counts program provided prekindergarten services to 11,800 three- and four-yearolds.
- Increasing investment in public education so all students have the resources to meet the academic standard for their grade level. By increasing investments in public education, Pennsylvania increased the percentage of students performing at grade level (proficient or advanced in math and reading on the state assessment) from 55 percent in 2002 to nearly 75 percent in 2009. Only three states scored higher than Pennsylvania on national assessments in fourth grade reading and only four states scored higher in eighth grade reading. Only four states scored higher on national assessments in fourth grade math and only seven states scored higher in eighth grade math.
- Increasing graduation rates at Pennsylvania's colleges and universities. Pennsylvania's 64.9 percent completion rate for bachelor's degrees exceeded the national average of 56.1 percent.
- Preparing students for the occupations in greatest demand in the workforce. In 2008-09, Pennsylvania awarded \$5,081,311 in Sci-Tech and Technology Scholarships to 3,136 students. Pennsylvania is also working to ensure that our career and technical

PA Pre-K Counts Improved Proficiency in Key Areas 90% 80% 70% Children 60% 50% 40% % of Pre-K Counts 30% 20% Language/ Mathematical Literacy Thinking Scientific Thinking Thinking Winter Spring

Fiscal Year 2008-09



education programs are aligned with high-priority occupations. In 2008-09, more than 1,200 career and technical education programs educated more than 44,900 students in high-priority occupations and provided living wages across the commonwealth.

Economic Development – Create Jobs and Build a Vital Economy/Boost the Skills of Our Workers

Pennsylvania is committed to: stimulating economic investment, growth and employment opportunities; developing innovative public-private partnerships; supporting the development and training of workers; providing adequate housing for those in need and improving the state's transportation system.

WHAT WE ARE ACCOMPLISHING:

Creating a business climate that encourages the creation, expansion and retention of businesses and
jobs. In 2008-09, more than \$7.5 billion in public and private funds were invested in 17,852 businesses to
create or maintain an estimated 185,155 jobs.

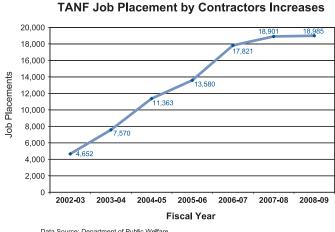
- Increasing the employment potential and independence of persons with disabilities. In 2008 the
 commonwealth provided vocational rehabilitation to more than 80,284 persons with disabilities to improve
 their employment potential and personal independence.
- Maintaining a safe and secure transportation system. In 2008-09, Pennsylvania repaired 1,041 state bridges. And with 168 of 242 highway, bridge and public transportation projects under way, PennDOT exceeded the national goal of committing half of American Recovery and Reinvestment Act (ARRA) funding by June 30, 2009.
- Reducing the number of homes in foreclosure and providing property tax/rent rebates. In 2008-09, the
 Pennsylvania Housing Finance Agency approved loans through three foreclosure-prevention programs that
 saved 2,779 homes from foreclosure. And Pennsylvania's property tax and rent rebate program provided
 more than 580,500 rebates to older Pennsylvanians and people with disabilities 2.9 percent more rebates
 than in 2007 and 79.1 percent more rebates than in 2002.

Health and Human Services – Increase Access to High-Quality Health Care and Assist Our Most Vulnerable Citizens to Live Independently

Pennsylvania is committed to: increasing access to affordable health care, providing eligible families and senior citizens the medical care necessary to live healthy and independent lives, ensuring that eligible veterans receive the appropriate assistance and providing opportunities for the most vulnerable Pennsylvanians.

WHAT WE ARE ACCOMPLISHING:

- Assisting out-of-home children to find permanent homes. In 2008-09, Pennsylvania helped 4,124 dependent children find permanent homes through adoption, legal custody and placement with relatives.
- Assisting families to increase financial stability and self-sufficiency. Pennsylvania has increased job placements by employment and training contractors through the Temporary Assistance for Needy Families (TANF) program by more than 300 percent between 2002-03 and 2008-09.
- Increasing access to food for nutritionally atrisk Pennsylvanians. Demand for emergency food has grown by more than 50 percent since 2007. In 2008-09, the State Food Purchase program provided more than 33 million pounds of food, yielding approximately 26.5 million meals, to 1.03 million households. And the Farmer's Market Nutrition program provided vouchers for more than \$4.8 million in fresh, local produce to seniors and Women Infant & Children (WIC) program recipients.



Data Source: Department of Public Welfare, Commonwealth Workforce Development System

Providing access to health insurance, medications and primary medical and dental care services. In 2008-09, the number of children enrolled in the Children's Health Insurance Program (CHIP) reached 183,591 — an increase of more than 31,500 children since 2006-07. The PACE and PACENET programs funded more than 11.6 million prescriptions. And Community Primary Care Challenge grants provided medical care to more than 54,000 new patients in federally designated health shortage areas.

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Environment - Protect Our Natural Resource

Pennsylvania is committed to: making our air and waterways cleaner; supporting the development of alternative energy sources; preserving and expanding open spaces, recreational and cultural amenities; and protecting our food supply and the environment.

WHAT WE ARE ACCOMPLISHING:

- Increasing the development of alternative energy sources in Pennsylvania. The Alternative Energy
 Investment Act of 2008 will provide \$650 million for new investments in alternative and renewable
 energy; energy efficiency projects for residents, businesses and local governments; and conservation and
 weatherization measures to reduce energy consumption. In 2009, the PA Sunshine Solar program received
 applications from more than 200 businesses for rebates available to residents and small businesses for
 solar photovoltaic and solar thermal projects.
- Conserving farmland, forest lands and open space. In 2008-09, Pennsylvania preserved 23,681 acres on 253 farms and 10,435 acres of forest land and open space.
- Reducing unhealthy levels of pollution in the air, water and land. In 2008-09, Pennsylvania's nutrient management plans protected 589,450 acres by controlling nutrients beneficial to crops and pastures but harmful to streams and rivers.
- Creating outdoor connections for citizens and visitors. In 2008-09, 36.6 million people visited Pennsylvania's state parks, a 10 percent increase from 2007-08. And Pennsylvania certified 13,735 students in boating safety education courses and educated students in 95 classrooms about watersheds through the Trout in the Classroom program.

Public Safety – Ensure the Safety of Our Citizens

Pennsylvania is committed to: protecting the lives and property of individuals and organizations from natural and man-made disasters and criminal activity and providing protection to Pennsylvanians from illegal and unfair actions.

WHAT WE ARE ACCOMPLISHING:

- **Reducing traffic fatalities.** Through the combined enforcement and safety efforts of the Pennsylvania State Police and the Department of Transportation, traffic fatalities continued to decline. In 2008, highway crashes in Pennsylvania claimed the lives of 1,468 motorists, the least since 1994.
- Decreasing the number of violent crimes and property crimes. From 2007-08 to 2008-09, violent crimes against persons decreased 4.9 percent and crimes against property decreased 2.6 percent. In 2008, Operation Triggerlock led to 2,444 arrests in 15 communities and the seizure of 43 guns. This program removes violent felons, illegal narcotics and illegal weapons from high-crime and distressed communities.
- Encouraging Pennsylvanians to prepare and plan for emergencies. In 2008-09, the Pennsylvania
 Emergency Management Agency worked with county citizen corps to educate 582,023 Pennsylvanians about emergency preparedness.
- Providing treatment and rehabilitation to reduce recidivism. The Commission on Crime and Delinquency supports the use of evidence-based juvenile justice and delinquency prevention programs. These programs supported 25 communities in 2008-09 nearly double the number of communities supported in 2005-06. Pennsylvania's one-year recidivism rate for adults decreased from 11.9 percent in 2004 to 9.9 percent in 2007. Fifty-three percent of offenders whose parole supervision ended in 2008-09 completed parole successfully and the percentage of parolees who stopped reporting dropped from 7 percent in 2001-02 to 3.5 percent in 2008-09.

• Improving the victim compensation process. In 2008-09, the Commission on Crime and Delinquency received 8,216 claims for victim compensation, resulting in \$14.2 million paid to or on behalf of victims. In addition, the time to process these claims dropped from an average of 52 weeks in 1986-87 to 6.5 weeks in 2008-09.

Consumer Protection – Ensure the Consumer Protection of Our Citizens

Pennsylvania is committed to: protecting the public from discrimination, fraud and financial abuse; ensuring that only qualified professionals are working in the commonwealth; and ensuring the accuracy, integrity and security of the electoral process.

WHAT WE ARE ACCOMPLISHING:

- Increasing efforts to protect and seek restitution for consumers in the financial marketplace. In 2008-09, the Department of Banking's consumer hotline handled inquiries and complaints from 6,351 consumers, resulting in refunds of \$3.4 million. In addition, the department's examinations of 906 companies resulted in 96 fines totaling \$834,534; the identification and correction of 1,091 compliance violations; \$330,699 in refunds to consumers; 10 licenses suspended or revoked; and 23 prohibition orders issued.
- Decreasing the risk to Pennsylvania consumers who engage in commercial transactions. In 2008-09, the
 Department of Agriculture inspected 98,979 devices such as parking meters, fuel dispensers, retail scanners
 and commercial scales, nearly 16 percent more than in 2007-08. The department also fielded more than
 500 consumer complaint hotline calls.
- Reducing the number of Pennsylvania homeowners losing their homes. Legislation enacted in 2008 is
 designed to protect consumers and strengthen oversight of the mortgage industry. For the first time, all
 mortgage salespeople (originators) in Pennsylvania must be licensed. Since the law took effect in December
 2008, the Department of Banking has granted licenses to nearly 7,000 originators.

Government Efficiency - Deliver Greater Value and Efficiency in Government

Pennsylvania is committed to: mobilizing resources to eliminate waste and ensure maximum service to Pennsylvanians, increasing the efficiency and effectiveness of state government and administering the state's tax laws fairly and equitably.

WHAT WE ARE ACCOMPLISHING:

- Increasing the use of electronic tax filing and collection of delinquent taxes. More than 3.5 million Pennsylvanians filed personal income tax returns electronically in 2009 and 82 percent of new businesses submitted their business registration applications electronically in 2008. Electronic filing saves Pennsylvania more than \$1.8 million each year. In 2008-09, Pennsylvania collected \$700 million in delinquent taxes. The Department of Revenue has increased its delinquent tax collection 29 percent since 2003-04 and in 2008-09 collected more than \$11 in delinquent taxes for every dollar spent on enforcement.
- Improving the commonwealth's accounting and financial reporting systems. The Office of Comptroller
 Operations began a finance transformation project in early 2008; changes in 2008-09 included a shift to
 electronic invoicing. By eliminating thousands of paper invoices received each year, the commonwealth saves
 on paper and processing costs, while vendors save on paper and postage and receive their payments faster.
- Reducing the administrative costs of government. The Governor's Budget Office works with agencies to control administrative costs so more resources can be invested in programs and services that directly benefit residents. In 2008-09, costs to operate state government were actually 3.8 percent lower than in 2002-03, despite increased costs per employee for salaries/wages, health benefits and pensions.

- Maintaining a manageable debt level and an excellent credit rating. The commonwealth issues debt in
 the form of tax-exempt general obligation bonds to fund its capital budget and other voter-approved bond
 programs. The commonwealth has maintained a double-A credit rating from the Wall Street rating agencies
 based on its relatively low debt burden and sound financial management practices.
- Increasing savings by strategically purchasing goods and services. By using Strategic Sourcing to purchase
 approximately \$4 billion in goods and services annually, the Department of General Services has saved the
 state approximately \$320 million.
- Preventing, detecting and deterring fraud, waste and abuse involving agencies, employees, contractors or program beneficiaries. In 2008-09, the Department of Public Welfare referred 25,802 questionable applications for benefits to the Office of Inspector General for investigation. Investigations identified that 10,897 of those questionable applications did contain fraudulent information and prevented those ineligible applicants from receiving benefits, saving Pennsylvania more than \$57.3 million.