

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
PGM: ADMINISTRATION PGM		72010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		72010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE EXCESS BUDGET AUTHORITY -		
COMMUNICATIONS WORKING CAPITAL		
TRUST FUND		33V0350
SALARIES AND BENEFIT		010000
COMMUNICATIONS WKG CAP TF -STATE	1,220-	2105 1
	=====	
DATA PROCESSING SERVICES		210000
STATE DATA CENTER -		210001
COMMUNICATIONS WKG CAP TF -STATE	2,233-	2105 1
	=====	
TOTAL: ELIMINATE EXCESS BUDGET AUTHORITY -		33V0350
COMMUNICATIONS WORKING CAPITAL		
TRUST FUND		
TOTAL ISSUE.....	3,453-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE: Eliminate Unfunded Budget Authority

PRIORITY: 1

SUMMARY:

The Department of Management Services (DMS), Office of the Secretary proposes a reduction of (\$3,453) in the Executive Direction and Support Services budget entity (72010100) in the Salaries and Benefits category (010000) and the State Data Center AST category (210001) within the Communications Working Capital Trust Fund (CWCTF) (2105).

BACKGROUND:

Previously the MyFlorida Portal was funded through Trust Fund and was transferred to General Revenue; this issue will eliminate the remaining budget authority from this transfer. This reduction is in the Salaries and Benefits category and the State Data Center AST category within the Communications Working Capital Trust Fund.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

There is no impact because the associated budget was transferred to another funding source and there is no cash to support this budget authority.

REDUCTION COST CALCULATIONS:

The Office of the Secretary proposes a reduction of (\$1,220) from the Salaries and Benefits category (010000) and

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POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
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<u>EXECUTIVE DIR/SUPPORT SVCS</u>		72010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE EXCESS BUDGET AUTHORITY -		
COMMUNICATIONS WORKING CAPITAL		
TRUST FUND		33V0350

(\$2,233) in State Data Center AST category (210001) within the Communications Working Capital Trust Fund (2105).

Communications Working Capital Trust Fund (2105)

Salaries and Benefits Category (010000) (\$1,220)
 State Data Center AST (210001) (\$2,233)

Total: (\$3,453)

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
OTHER SALARY AMOUNT						
						1,220-

						1,220-
						=====

REDUCE CONTRACTED LEGAL SERVICES		33V0620
SPECIAL CATEGORIES		100000
CONTRACTED LEGAL SE		103884
ADMINISTRATIVE TRUST FUND -STATE	423,896-	2021 1
	=====	

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SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
PGM: ADMINISTRATION PGM		72010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		72010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		1602.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED LEGAL SERVICES		33V0620

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 16-17 NARRATIVE: IT COMPONENT? NO
 ISSUE TITLE: Reduce Contracted Legal Services

PRIORITY: 18

SUMMARY:
 The Department of Management Services, Executive Direction and Support Services proposes a reduction of (\$423,896) from the Contracted Legal Services appropriation category. This issue reduces the department's contracted legal services contingency budget from \$891,000 to \$467,104.

BACKGROUND:
 This appropriation is used by the Department to provide outside legal representation for potential litigations. In the event the remaining appropriation is not adequate, the department will have to request budget amendments to contract for legal services as needed, which is not as timely as sometimes required to appropriately and swiftly respond to lawsuits.

REDUCTION COST CALCULATIONS:
 To meet the five percent reduction exercise, the Office of the Secretary proposes a reduction in the Administrative Trust Fund from within the Contracted Legal Services appropriation category.

Administrative Trust Fund (2021)
 Contracted Legal Services (103884) (\$423,896)
 Total: (\$423,896)

REDUCE EXPENDITURES WITHIN THE		
OFFICE OF THE SECRETARY		33V0820
EXPENSES		040000
GENERAL REVENUE FUND	-STATE	1000 1
	17,147-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 16-17 NARRATIVE: IT COMPONENT? NO
 ISSUE TITLE: Reduce Expenditures within the Office of the Secretary

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SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
PGM: ADMINISTRATION PGM		72010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		72010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENDITURES WITHIN THE		
OFFICE OF THE SECRETARY		33V0820

PRIORITY: 4

SUMMARY:

The Department of Management Services, Executive Direction and Support Services proposes a reduction of (\$17,147) from the Expenses appropriation category (040000). This issue reduces the department's Expenses budget that is used to fund the MyFlorida.com portal from \$41,497 to \$24,350.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

This appropriation is used by the Department to purchase software licenses, information technology equipments and to pay the rent and Centrex and SUNCOM bills for the MyFlorida.com Portal. With this reduction, the department will be unable to purchase the annual software licenses that are needed to maintain the Department's website.

REDUCTION COST CALCULATION:

To meet the five percent reduction exercise, the Office of the Secretary proposes a General Revenue reduction of (\$17,147) by reducing the Expense appropriation category.

General Revenue Fund (1000)

Expenses (040000) (\$17,147)

Total: (\$17,147)

TOTAL: EXEC LEADERSHIP/SUPPRT SVC		<u>1602.00.00.00</u>
BY FUND TYPE		
GENERAL REVENUE FUND	17,147-	1000
TRUST FUNDS	427,349-	2000

TOTAL PROG COMP.....	444,496-	
	=====	

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REDUCTIONS			
POS	AMOUNT		CODES
			72000000
			72400000
			72400100
			16
			<u>1601.00.00.00</u>
			33V0000
			33V0760
			000000
	118,187-		
	=====		
			010000
	4.00-		
	258,396-		2696 1
	=====		
			100000
			100777
	1,357,210-		2696 1
	=====		
			33V0760
	4.00-		
	1,615,606-		
	118,187-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE: Reduce the Facilities Management Operating Budget

PRIORITY: 15

SUMMARY:

The Department of Management Services, Division of Real Estate Development and Management (REDM) proposes a reduction of \$1,615,606, which includes four positions and associated Salaries and Benefits reduction of \$258,396 and a reduction of \$1,357,210 from the Contracted Services Category within the Supervision Trust Fund used in the operations and maintenance of the Florida Facilities Pool (FFP).

BACKGROUND:

Section 255.249, Florida Statutes, gives the Department of Management Services (DMS) the responsibility and authority to operate, maintain and repair buildings in the FFP. This responsibility is carried out through the use of both in-house staff as well as private service providers.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

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REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
PGM: FACILITIES PROGRAM		72400000
<u>FACILITIES MANAGEMENT</u>		72400100
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE THE FACILITIES MANAGEMENT		
OPERATING BUDGET		33V0760

Salaries and Benefits:

This eliminates four full-time equivalent positions position within REDM. REDM is responsible for the overall operations and maintenance of 110 facilities within the FFP, consisting of over 12.2 million gross square feet. The reduction will significantly affect the workload of the remaining employees within the Division and delay the customer service provided to our customers.

Contracted Services Reduction:

This reduction would be contrary to recent actions taken by the Division of Real Estate Development and Management (REDM) and our FY 2016-17 Legislative Budget Request (LBR). REDM recently outsourced the custodial services at three Florida Facilities Pool (FFP) locations, and as part of our FY 2016-17 (LBR) is proposing to outsource this service at the remainder of the FFP locations. This reduction would have major negative consequences to the FFP. Existing contracts would have to be renegotiated. This would result in a reduction of the frequency of lawn care services at virtually all REDM managed facilities. It would also result in a reduction of the custodial services, and would add certain daytime custodial functions to existing building maintenance staff. This would undoubtedly affect other areas such as maintenance and repairs, and require that existing staff refocus. With less focus on maintenance and repairs, it will negatively affect the division's ability to proactively manage energy costs.

This would eliminate REDM's ability to pay for outside legal counsel, procure outside consultants, commission a facilities needs assessment, and would result in elevator inspections being performed quarterly, instead of monthly.

REDUCTION COST CALCULATIONS:

To meet the five percent reduction exercise, REDM proposes a reduction of \$1,615,606 by reducing 4.00 FTE and the operating budget used to pay for utilities in the FFP.

Supervision Trust Fund (2696)

Positions	(4.00 FTE)
Salaries and Benefits (010000)	(\$258,396)
Contract Services (100777)	(\$1,357,210)

Issue Total: (\$1,615,606)

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POS	AMOUNT	
MANAGEMENT SRVCS, DEPT OF		72000000
PGM: FACILITIES PROGRAM		72400000
<u>FACILITIES MANAGEMENT</u>		72400100
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE THE FACILITIES MANAGEMENT		
OPERATING BUDGET		33V0760

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0709 ADMINISTRATIVE ASSISTANT I							
P0005 001	1.00-	25,577-		15,002-	40,579-	0.00	40,579-
2239 OPERATIONS REVIEW SPECIALIST							
P0003 001	1.00-	41,106-		17,317-	58,423-	0.00	58,423-
6526 CUSTODIAL WORKER							
P0002 001	1.00-	16,870-		13,704-	30,574-	0.00	30,574-
8883 INSPECTOR/PLANS REVIEWER							
P0004 001	1.00-	34,634-		16,352-	50,986-	0.00	50,986-

TOTALS FOR ISSUE BY FUND							
2696 SUPERVISION TRUST FUND							180,562-
	4.00-	118,187-		62,375-	180,562-		180,562-
	=====	=====	=====	=====	=====		=====
OTHER SALARY AMOUNT							
2696 SUPERVISION TRUST FUND							77,834-

							258,396-
							=====

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REDUCTIONS			
POS	AMOUNT		CODES
MANAGEMENT SRVCS, DEPT OF			72000000
PGM: FACILITIES PROGRAM			72400000
<u>FACILITIES MANAGEMENT</u>			72400100
GOV OPERATIONS/SUPPORT			16
<u>GOVERNMENTAL OPERATIONS</u>			<u>1601.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
CUSTODIAL SERVICES - DEDUCT			33V0940
SALARY RATE			000000
SALARY RATE.....	378,374-		
	=====		
SALARIES AND BENEFI			010000
	33.25-		
SUPERVISION TRUST FUND -STATE	806,791-		2696 1
	=====		
EXPENSES			040000
SUPERVISION TRUST FUND -STATE	65,493-		2696 1
	=====		
SPECIAL CATEGORIES			100000
TR/DMS/HR SVCS/STW			107040
SUPERVISION TRUST FUND -STATE	11,438-		2696 1
	=====		
TOTAL: CUSTODIAL SERVICES - DEDUCT			33V0940
TOTAL POSITIONS.....	33.25-		
TOTAL ISSUE.....	883,722-		
TOTAL SALARY RATE.....	378,374-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE: Custodial Services Outsourcing - Deduct

PRIORITY: 2

FLORIDA STRATEGIC PLAN FOR ECONOMIC DEVELOPMENT:

#25: Improve the efficiency and effectiveness of government agencies at all levels.

DEPARTMENT MANAGEMENT SERVICES LONG RANGE PROGRAM PLAN:

The Department of Management Services (DMS) provides shared services to state agencies and local governments allowing them to focus on their core mission. Our goal is to provide excellence in product and service delivery. GOAL #11: To provide cost-effective, efficient Real Estate Development and Management services to our customers in the DMS pool facilities.

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SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
PGM: FACILITIES PROGRAM		72400000
<u>FACILITIES MANAGEMENT</u>		72400100
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
CUSTODIAL SERVICES - DEDUCT		33V0940

SUMMARY:

The Department of Management Services, Division of Real Estate Development and Management (REDM) requests to outsource custodial services that are currently provided by 35.25 DMS employees at three facilities within the Florida Facilities Pool (FFP). This issue also requests to keep one of the positions to provide quality assurance oversight for the service being outsourced and an additional position to help manage energy consumption and costs in the FFP. Energy consumption is far more critical to the ongoing financial performance of the FFP than retaining the in-house custodial staff.

This issue requests a net reduction of 33.25 FTEs associated with the custodial operations of the Capitol Complex (Tallahassee), R.A. Gray Building (Tallahassee), and the Twin Towers Building (Tallahassee), which are the final three FFP sites not currently cleaned by custodial vendors.

All funding is requested for budget entity 72400100 within the Supervision Trust Fund (2696)

(\$806,791) in the Salaries and Benefits category (010000)
 (\$65,493) in Expenses category (040000) associated with the purchase of cleaning supplies
 (\$11,438) in Human Resources Statewide Contract category (107040)
 \$883,722 in Special Categories: Contracted Services (100777).

The increase of \$883,722 in Special Categories: Contracted Services (100777) is to fund the new custodial contracts. This issue will result in a net savings of zero for the first fiscal year. However, due to expected one-time leave payouts of \$64,857 that will occur in the first year, the annual cost savings will increase to \$64,857.

RETURN ON INVESTMENT (ROI):

In addition to the cost savings identified above, the outsourcing of this service will provide for the uniform delivery of custodial services throughout the entire FFP. This will allow for more time to be spent on the critical maintenance needs of the facilities. This will also help to ensure that the facilities are operated in the most efficient manner possible.

PROBLEM STATEMENT:

Based upon a recent analysis by REDM, in-house custodial services represent a significant opportunity to reduce current FFP costs. This action would complete the outsourcing of FFP custodial services that began several years. This issue reflects REDM's mission to improve the operation and efficiency of the FFP on an ongoing basis.

WHAT IS THE IMPACT OF NOT FUNDING THIS ISSUE:

Without funding for this issue, the recurring cost savings and operational efficiencies will not be realized.

GENERAL INFORMATION:

Authorized in section 20.22, Florida Statutes, the Facilities Program oversees the construction of public buildings, the operation and maintenance of the FFP and other DMS Real Estate Development and Management (REDM)-managed facilities, and administers public and private leasing (including parking services). The applicable statutes related to the Facilities

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SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
PGM: FACILITIES PROGRAM		72400000
<u>FACILITIES MANAGEMENT</u>		72400100
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
CUSTODIAL SERVICES - DEDUCT		33V0940

Program are found in Chapters 215, 216, 255, 272, 281, 288, and 489, Florida Statutes. These statutes provide administrative rule responsibilities related to state workspace development and management, and establish the Facilities Program as a customer-driven organization serving state agencies, local governments, the business community and the citizens of Florida. Chapter 215, Florida Statutes authorizes the Architects Incidental Trust Fund for DMS to levy and assess funds for cost recovery administration of appropriated fixed capital outlay projects and to serve as the owner representative on behalf of the state.

Chapter 255, Florida Statutes defines requirements for how publicly owned buildings are developed, operated and maintained, including statewide rule related authority for DMS. Sections 255.501 through 255.525, Florida Statutes, comprise the Building and Facilities Act, which relates specifically to the creation and management of the Florida Facilities Pool. This includes implementation of construction appropriations, project management oversight, building maintenance, leasing, and long-range strategic planning to address the state's future workspace needs. This chapter also authorizes responsibility for the operation and maintenance of state-owned structures, defines energy conservation and building sustainability implementation and directs DMS to develop and maintain a state energy management plan. The chapter directs DMS to develop and implement a master leasing report to forecast space needs for all state agencies, including the identification of opportunities for cost reduction through consolidation, relocation and reconfiguration, and to make recommendations for the construction or acquisition of state-owned buildings.

REDM is responsible for the operations and maintenance of 12.2 million gross square feet of space in the FFP. One of REDM's biggest responsibilities is providing custodial services, whether in-house or through vendors. REDM currently utilizes employees to provide custodial services at three of the facilities and utilizes custodial vendors to provide these services at the other facilities in the FFP that require custodial services.

This issue reflects REDM's desire to get out of the custodial services business altogether. Clean facilities are essential to REDM's core mission of maintaining the FFP, but that does not mean REDM should provide in-house custodial services.

COST CALCULATIONS:

This issue will result in a net savings of zero for the first fiscal year. However, due to expected one-time leave payouts of \$64,857 that will occur in the first year, the annual cost savings will increase to \$64,857.

Supervision Trust Fund (2696)	
Salaries and Benefits (010000) (33.25 FTE)	(\$806,791)
Expenses (040000)	(\$65,493)
Human Resources Statewide Contract (107040)	(\$11,438)
Special Categories: Contracted Services (100777)	\$883,722

Issue Total: 0

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
MANAGEMENT SRVCS, DEPT OF		72000000
PGM: FACILITIES PROGRAM		72400000
<u>FACILITIES MANAGEMENT</u>		72400100
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		1601.00.00.00
PROGRAM REDUCTIONS		33V0000
CUSTODIAL SERVICES - DEDUCT		33V0940

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
6526 CUSTODIAL WORKER							
C1003 001	33.25-	378,374-		428,417-	806,791-	0.00	806,791-
TOTALS FOR ISSUE BY FUND							
2696 SUPERVISION TRUST FUND							806,791-
	33.25-	378,374-		428,417-	806,791-		806,791-

CUSTODIAL SERVICES - ADD							33V0950
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
SUPERVISION TRUST FUND -STATE	883,722						2696 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE: IT COMPONENT? NO
 ISSUE TITLE: Custodial Services Outsourcing - Add

PRIORITY: 2

FLORIDA STRATEGIC PLAN FOR ECONOMIC DEVELOPMENT:

#25: Improve the efficiency and effectiveness of government agencies at all levels.

DEPARTMENT MANAGEMENT SERVICES LONG RANGE PROGRAM PLAN:

The Department of Management Services (DMS) provides shared services to state agencies and local governments allowing

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SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
PGM: FACILITIES PROGRAM		72400000
<u>FACILITIES MANAGEMENT</u>		72400100
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
CUSTODIAL SERVICES - ADD		33V0950

them to focus on their core mission. Our goal is to provide excellence in product and service delivery. GOAL #11: To provide cost-effective, efficient Real Estate Development and Management services to our customers in the DMS pool facilities.

SUMMARY:

The Department of Management Services, Division of Real Estate Development and Management (REDM) requests to outsource custodial services that are currently provided by 35.25 DMS employees at three facilities within the Florida Facilities Pool (FFP). This issue also requests to keep one of the positions to provide quality assurance oversight for the service being outsourced and an additional position to help manage energy consumption and costs in the FFP. Energy consumption is far more critical to the ongoing financial performance of the FFP than retaining the in-house custodial staff.

This issue requests a net reduction of 33.25 FTEs associated with the custodial operations of the Capitol Complex (Tallahassee), R.A. Gray Building (Tallahassee), and the Twin Towers Building (Tallahassee), which are the final three FFP sites not currently cleaned by custodial vendors.

All funding is requested for budget entity 72400100 within the Supervision Trust Fund (2696)

(\$806,791) in the Salaries and Benefits category (010000)
 (\$65,493) in Expenses category (040000) associated with the purchase of cleaning supplies
 (\$11,438) in Human Resources Statewide Contract category (107040)
 \$883,722 in Special Categories: Contracted Services (100777).

The increase of \$883,722 in Special Categories: Contracted Services (100777) is to fund the new custodial contracts. This issue will result in a net savings of zero for the first fiscal year. However, due to expected one-time leave payouts of \$64,857 that will occur in the first year, the annual cost savings will increase to \$64,857.

RETURN ON INVESTMENT (ROI):

In addition to the cost savings identified above, the outsourcing of this service will provide for the uniform delivery of custodial services throughout the entire FFP. This will allow for more time to be spent on the critical maintenance needs of the facilities. This will also help to ensure that the facilities are operated in the most efficient manner possible.

PROBLEM STATEMENT:

Based upon a recent analysis by REDM, in-house custodial services represent a significant opportunity to reduce current FFP costs. This action would complete the outsourcing of FFP custodial services that began several years. This issue reflects REDM's mission to improve the operation and efficiency of the FFP on an ongoing basis.

WHAT IS THE IMPACT OF NOT FUNDING THIS ISSUE:

Without funding for this issue, the recurring cost savings and operational efficiencies will not be realized.

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POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
PGM: FACILITIES PROGRAM		72400000
<u>FACILITIES MANAGEMENT</u>		72400100
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
CUSTODIAL SERVICES - ADD		33V0950

GENERAL INFORMATION:

Authorized in section 20.22, Florida Statutes, the Facilities Program oversees the construction of public buildings, the operation and maintenance of the FFP and other DMS Real Estate Development and Management (REDM)-managed facilities, and administers public and private leasing (including parking services). The applicable statutes related to the Facilities Program are found in Chapters 215, 216, 255, 272, 281, 288, and 489, Florida Statutes. These statutes provide administrative rule responsibilities related to state workspace development and management, and establish the Facilities Program as a customer-driven organization serving state agencies, local governments, the business community and the citizens of Florida. Chapter 215, Florida Statutes authorizes the Architects Incidental Trust Fund for DMS to levy and assess funds for cost recovery administration of appropriated fixed capital outlay projects and to serve as the owner representative on behalf of the state.

Chapter 255, Florida Statutes defines requirements for how publicly owned buildings are developed, operated and maintained, including statewide rule related authority for DMS. Sections 255.501 through 255.525, Florida Statutes, comprise the Building and Facilities Act, which relates specifically to the creation and management of the Florida Facilities Pool. This includes implementation of construction appropriations, project management oversight, building maintenance, leasing, and long-range strategic planning to address the state's future workspace needs. This chapter also authorizes responsibility for the operation and maintenance of state-owned structures, defines energy conservation and building sustainability implementation and directs DMS to develop and maintain a state energy management plan. The chapter directs DMS to develop and implement a master leasing report to forecast space needs for all state agencies, including the identification of opportunities for cost reduction through consolidation, relocation and reconfiguration, and to make recommendations for the construction or acquisition of state-owned buildings.

REDM is responsible for the operations and maintenance of 12.2 million gross square feet of space in the FFP. One of REDM's biggest responsibilities is providing custodial services, whether in-house or through vendors. REDM currently utilizes employees to provide custodial services at three of the facilities and utilizes custodial vendors to provide these services at the other facilities in the FFP that require custodial services.

This issue reflects REDM's desire to get out of the custodial services business altogether. Clean facilities are essential to REDM's core mission of maintaining the FFP, but that does not mean REDM should provide in-house custodial services.

COST CALCULATIONS:

This issue will result in a net savings of zero for the first fiscal year. However, due to expected one-time leave payouts of \$64,857 that will occur in the first year, the annual cost savings will increase to \$64,857.

Supervision Trust Fund (2696)	
Salaries and Benefits (010000) (33.25 FTE)	(\$806,791)
Expenses (040000)	(\$65,493)
Human Resources Statewide Contract (107040)	(\$11,438)

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 REDUCTIONS
 POS AMOUNT CODES

MANAGEMENT SRVCS, DEPT OF		72000000
PGM: FACILITIES PROGRAM		72400000
<u>FACILITIES MANAGEMENT</u>		72400100
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
CUSTODIAL SERVICES - ADD		33V0950

Special Categories: Contracted Services (100777) \$883,722

Issue Total: 0

TOTAL: GOVERNMENTAL OPERATIONS 1601.00.00.00

BY FUND TYPE

	37.25-	
TRUST FUNDS.....	1,615,606-	2000
SALARY RATE.....	496,561-	
	=====	

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
PGM: FACILITIES PROGRAM		72400000
<u>BUILDING CONSTRUCTION</u>		72400200
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE BUILDING CONSTRUCTION		33V0860
EXPENSES		040000
ARCHITECTS INCIDENTAL TF -STATE	8,781-	2033 1
	=====	
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ARCHITECTS INCIDENTAL TF -STATE	37,562-	2033 1
	=====	
TOTAL: REDUCE BUILDING CONSTRUCTION		33V0860
TOTAL ISSUE.....	46,343-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE: Reduce the Building Construction Operating Budget

PRIORITY: 5

SUMMARY:

The Department of Management Services, Division of Real Estate Development and Management (REDM) proposes a reduction of (\$46,343) in various operating categories within the Architects Incidental Trust Fund.

BACKGROUND:

Section 255.31, Florida Statutes, gives the Department of Management Services the authority to manage construction projects for state and local governments.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

This reduction will result in the reduction of travel. This will limit the division's ability to travel to and from job sites for project management oversight. Reduced oversight could impact the quality of the work product being delivered. This reduction will also limit the division's ability to obtain outside legal representation for potential litigation and affect the ability to use courier service to timely deliver contracts and pay requests.

REDUCTION COST CALCULATIONS:

REDM proposes a reduction of (\$46,343) through the following reductions:

Architects Incidental Trust Fund (2033)

Expenses (040000) (\$8,781)

COL A93		
SCH VIII B-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
PGM: FACILITIES PROGRAM		72400000
<u>BUILDING CONSTRUCTION</u>		72400200
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE BUILDING CONSTRUCTION		33V0860
Contracted Services (100777) (\$37,562)		
Total Issue: (\$46,343)		

TOTAL: GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	46,343-	2000
	=====	

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
PGM: SUPPORT PROGRAM		72600000
<u>PURCHASING OVERSIGHT</u>		72600400
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE FUNDING USED TO SUPPORT THE		
WEB BASED E-PROCUREMENT SYSTEM		33V0680
SPECIAL CATEGORIES		100000
WEB-BASED E-PROCURE		104502
OPERATING TRUST FUND	-STATE 783,110-	2510 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE: IT COMPONENT? NO
 Issue Title: Reduce Funding Used To Support the Web Based E-Procurement System

PRIORITY: 13

SUMMARY:

The Department of Management Services, Division of State Purchasing proposes a reduction of (\$783,110) from the Web Based E-Procurement System appropriation category.

BACKGROUND:

Section 287.057(22), Florida Statutes, directs the Department of Management Services (DMS) to develop a program for online procurement of commodities and contractual services to enable the state to promote open competition and to leverage its buying power. As result DMS developed the MyFloridaMarketPlace (MFMP) system.

The MFMP contract allows the Division to transition a service area upon 180 days' notice. This reduction of (\$783,110) significantly impact the services provided to DMS, state agencies, and vendors that do business with the state. This reduction would likely require the Division to largely eliminate the billing and collections service area and reduce the MFMP Customer Service Desk.

WHAT IS THE IMPACT OF TAKING THIS REDUCTIONS

The elimination of the billing and collections service area would result in a significant decrease in the collection of transaction fees, totaling over \$20 million annually, which currently fund the Division of State Purchasing and the MyFloridaMarketPlace contract. The Division of State Purchasing does not have FTEs to support this activity.

In addition to billing and collections service area, a reduction to the services for the MFMP Customer Service Desk could seriously impact the services provided to vendors doing business with the state and DMS' ability to timely respond to the 32 state agencies who use MFMP. In addition, this would hinder the progress of the current MyFloridaMarketPlace Utilization Initiative to increase agency usage of the system, which is part of the Procurement Transformation Initiative.

REDUCTION COST CALCULATIONS:

The Division of State Purchasing proposes a reduction of (\$783,110) from the Web Based E-Procurement System appropriation

COL A93		
SCH VIII B-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
PGM: SUPPORT PROGRAM		72600000
<u>PURCHASING OVERSIGHT</u>		72600400
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE FUNDING USED TO SUPPORT THE		
WEB BASED E-PROCUREMENT SYSTEM		33V0680

category.

Operating Trust Fund (2510)

Web Based E-Procurement System (104502) (\$783,110)

Total Issue: (783,110)

COL A93			
SCH VIII B-2			
REDUCTIONS			
POS	AMOUNT		CODES
MANAGEMENT SRVCS, DEPT OF			72000000
PGM: SUPPORT PROGRAM			72600000
<u>PRIVATE PRISON MONITORING</u>			72600800
PUBLIC PROTECTION			12
<u>ADULT PRISONS</u>			<u>1206.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE EXPENDITURES IN THE PRIVATE			
PRISON MONITORING PROGRAM			33V0830
OTHER PERSONAL SERV			030000
GENERAL REVENUE FUND	-STATE 15,200-		1000 1
	=====		
EXPENSES			040000
GENERAL REVENUE FUND	-STATE 11,039-		1000 1
	=====		
OPERATING CAPITAL O			060000
GENERAL REVENUE FUND	-STATE 3,890-		1000 1
	=====		
SPECIAL CATEGORIES			100000
CONTRACTED SERVICES			100777
GENERAL REVENUE FUND	-STATE 9,556-		1000 1
	=====		
CONTRACTED LEGAL SE			103884
GENERAL REVENUE FUND	-STATE 23,169-		1000 1
	=====		
TOTAL: REDUCE EXPENDITURES IN THE PRIVATE			33V0830
PRISON MONITORING PROGRAM			
TOTAL ISSUE.....	62,854-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIII B-2 NARR 16-17 NARRATIVE: IT COMPONENT? NO

ISSUE TITLE: Reduce Expenditures in the Private Prison Monitoring Program

PRIORITY: 11

SUMMARY:

The Department of Management Services, Division of Specialized Services, Bureau of Private Prison Monitoring proposes a reduction of (\$62,854) in the Private Prison Monitoring budget entity (72600800) in the General Revenue Fund (1000)

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
PGM: SUPPORT PROGRAM		72600000
<u>PRIVATE PRISON MONITORING</u>		72600800
PUBLIC PROTECTION		12
<u>ADULT PRISONS</u>		<u>1206.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENDITURES IN THE PRIVATE		
PRISON MONITORING PROGRAM		33V0830

categories (030000) Other Personal Services (OPS), (040000) Expenses, (060000) Operating Capital Outlay, (100777) Special Categories: Contracted Services, (103884) Special Services: Contracted Legal Services.

BACKGROUND:

This would eliminate the entire funding for the Other Personal Services (OPS) positions which administratively supports the contract manager, allowing the contract manager to focus on programmatic responsibilities.

It would also limit the bureau's ability to travel to and from facilities in order to provide the necessary oversight and training to the on-site monitors. This reduction will not allow bureau staff to be in compliance with the Department of Corrections Training Curriculum Standards.

It reduces the funds the bureau currently uses to pay the CENTREX/SUNCOM expenditures. This reduction would result in the bureau not having the ability to communicate with other departments or outside contractors in order to fulfill the monitoring requirements pursuant to Chapter 957, Florida Statutes.

This reduction would leave the bureau with only \$3,500 in the contracted services appropriation category; thereby limiting its resources in the areas of information technology and software development (contractor monitoring software).

This reduction also eliminates the entire funding for the Contracted Legal Services; thereby leaving the bureau with no resources to address potential litigations.

Furthermore, it eliminates the entire funding for the Operating Capital Outlay budget that the bureau plans to use to replace a monitoring tool server that is old and slow. A reduction in this area would prohibit the purchase of a new server associated with the upgrade of the monitoring tool.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

To meet the five percent reduction exercise, the Bureau of Private Prison Monitoring proposes to reduce the General Revenue Fund from within the Other Personal Services (OPS), Expenses, Contracted Services, Contracted Legal Services and Operating Capital Outlay (OCO) appropriations categories. This reduction will hinder the bureau's ability to meet the statutory requirements as required by Chapter 957, Florida Statutes.

REDUCTION COST CALCULATIONS:

Category	FY 2016-17
Other Personal Services (030000)	(\$15,200)
Expenses (040000)	(\$11,039)
Operating Capital Outlay (060000)	(\$3,890)
Contracted Services (100777)	(\$9,556)

 COL A93
 SCH VIIIIB-2
 REDUCTIONS
 POS AMOUNT

CODES

MANAGEMENT SRVCS, DEPT OF
 PGM: SUPPORT PROGRAM
PRIVATE PRISON MONITORING
 PUBLIC PROTECTION
ADULT PRISONS

72000000
 72600000
 72600800
 12
1206.00.00.00

PROGRAM REDUCTIONS
 REDUCE EXPENDITURES IN THE PRIVATE
 PRISON MONITORING PROGRAM

33V0000
 33V0830

Contracted Legal Services (103884) (\$23,169)

Funding:
 (General Revenue (1000), FSI=1)

Total Issue (\$62,854)

TOTAL: ADULT PRISONS
 BY FUND TYPE

1206.00.00.00

GENERAL REVENUE FUND..... 62,854-
 =====

1000

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PGM: INS BENEFITS ADMIN</u>		72750200
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE THE ADMINISTRATIVE SERVICES		
ONLY CONTRACT FOR HEALTH INSURANCE		33V0580
SPECIAL CATEGORIES		100000
ASO CONTRACT/HEALTH		101520
STATE EMPLY HEALTH INS TF -STATE	2,987,644-	2668 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE: IT COMPONENT? NO
 ISSUE TITLE: Reduction in Administrative Services Only Contract Fee

PRIORITY: 12

SUMMARY:

The Department of Management Services, Division of State Group Insurance (DSGI) proposes a reduction of \$2,987,644 from the Administrative Services Only (ASO) Contract for Health Insurance appropriation category (101520) within the State Employees Health Insurance Trust Fund.

BACKGROUND:

The DSGI entered into Administrative Services Only Contracts with its self-insured health providers to obtain third-party administrative services, access to provider networks, claims adjudication/reporting, customer service, benefit and utilization management, and other services for the self-insured health plan and its participants. The contract for the preferred provider organization was awarded effective January 1, 2015 through December 31, 2018 and the four (4) health maintenance organizations contracts were awarded and later on renewed effective January 1, 2012 through December 31, 2015.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

Based on the contracted fees and projected plan enrollment, the estimated ASO Fee for Fiscal Year 2016-17 is \$47.8 million. Should the estimation hold, the budget authority in the ASO Contract could be reduced by \$2,987,644, from \$51,100,000 to \$48,112,356; however should there be a change in projected plan enrollment or other activity the estimation could very well increase.

REDUCTION COST CALCULATIONS:

To meet the five percent reduction exercise, the Division of State Group Insurance (DSGI) proposes a reduction of \$2,987,644 in the Administrative Services Only (ASO) for Health Insurance appropriation category.

State Employees' Health Insurance Trust Fund (2668)

Special Categories: Administrative Services Only
 Contract for Health Insurance (101520)

(\$2,987,644)

COL A93		
SCH VIII B-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PGM: INS BENEFITS ADMIN</u>		72750200
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE THE ADMINISTRATIVE SERVICES		
ONLY CONTRACT FOR HEALTH INSURANCE		33V0580

Issue Total: (\$2,987,644)

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PGM: RETIRE BENEFITS ADMIN</u>		72750300
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE CONTRACTED LEGAL SERVICES		33V0590
SPECIAL CATEGORIES		100000
CONTRACTED LEGAL SE		103884
OPERATING TRUST FUND	-STATE 148,891-	2510 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE: IT COMPONENT? NO
 ISSUE TITLE: Eliminate Contracted Legal Services in the Division of Retirement

PRIORITY: 17

SUMMARY:

The Department of Management Services, Division of Retirement proposes eliminating \$148,891 from the Contracted Legal Services appropriation category.

BACKGROUND:

This issue will eliminate all Contracted Legal Services funding that is used to provide outside legal representation.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

In the event there is litigation involving the division, a budget amendment will be required to fund the contract for legal services and would require timely processing to be able to respond to a lawsuit appropriately.

REDUCTION COST CALCULATIONS:

To meet the five percent reduction exercise, the Division of Retirement proposes a eliminating all funding from the Contracted Legal Services appropriation category.

Category:	Fiscal Year
	2016-2017

Contracted Legal Services(103884)	(\$148,891)
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Funding:

(Operating Trust Fund, 2510, FSI=1)

Issue Total: (\$148,891)

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PGM: RETIRE BENEFITS ADMIN</u>		72750300
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENDITURES WITHIN THE		
DIVISION OF RETIREMENT BY		
IMPLEMENTING ON-LINE SERVICES		33V0650
EXPENSES		040000
OPERATING TRUST FUND	-STATE	
	237,831-	2510 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE: Reduce Expenditures Within The Division Of Retirement By Implementing On-Line Services

PRIORITY: 3

SUMMARY:

The Department of Management Services, Division of Retirement proposes a reduction of \$237,831 by reducing printing and mailing costs and other expenses.

BACKGROUND:

The division routinely sends out educational materials to the members of the Florida Retirement System (FRS). This issue will reduce expenditures used to fund the printing and distribution of the FRS retiree newsletters and mailing of notices to Members to verify changes of address, bank accounts, and passwords. This issue also reduces costs of other services such as the presentation of FRS member seminars and expenditures used to purchase office supplies for employees.

In Fiscal Year 2015-2016 the Division of Retirement budget authority was reduced by (\$216,000) with online delivery of Member Annual Statements.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

The most significant impact of these reductions is that this would eliminate a security verification notice to members by mail that their personal identifying information changed online. In addition, approximately 25,000 retirees will no longer receive paper warrants in the mail and would instead receive their benefit payments electronically. Also our 400,000+ retirees will receive only electronic notification to access publications either from the division's website or from their FRS Online account along with a reduction in the availability of information presented to FRS members in retirement seminars held at various employer locations around the state. Members will receive only electronic notification to access publications.

REDUCTION COST CALCULATIONS:

To meet the five percent reduction exercise, the Division of Retirement proposes to reduce the funding used to print and mail educational material to the members of the FRS along with other service and expenditure reductions.

Category:

Fiscal Year

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PGM: RETIRE BENEFITS ADMIN</u>		72750300
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENDITURES WITHIN THE		
DIVISION OF RETIREMENT BY		
IMPLEMENTING ON-LINE SERVICES		33V0650

Expenses (040000) 2016-2017 (\$237,831)

Funding:
 (Operating Trust Fund, 2510, FSI=1)

Issue Total: (\$237,831)

REDUCE SALARIES AND BENEFITS 33V0670
 SALARIES AND BENEFIT 010000

GENERAL REVENUE FUND -STATE 40,130- 1000 1
 =====

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE: IT COMPONENT? NO
 ISSUE TITLE: Reduce Salaries and Benefits

PRIORITY: 6

SUMMARY:

The Department of Management Services, Division of Retirement proposes a reduction of (\$40,130) in the Salaries and Benefits category in General Revenue by offering up a portion of the contingency that is used to subsidize the Police and Firefighters Premium Tax Trust Fund in the event there is shortfall in investment earnings.

BACKGROUND:

Section 185.10, Florida Statutes, directs the Department of Management Services to use the interest earnings from the funds deposited into the Police and Firefighters Premium Tax Trust Fund to fund the division's daily oversight and monitoring responsibilities of local government retirement plans. Funds deposited into this trust fund are collected on behalf of each municipality and special fire control district; however, in recent years the interest earnings from the Police and Firefighters Premium Tax Trust Fund have not been sufficient enough to fund the division's daily oversight and monitoring responsibilities. Therefore, this funding is generally subsidized by the General Revenue contingency fund. This issue will reduce a portion of the contingency funding that is used to subsidize the division's daily operating cost for the oversight and monitoring of the police officers' retirement plan.

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PGM: RETIRE BENEFITS ADMIN</u>		72750300
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE SALARIES AND BENEFITS		33V0670

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

This issue would eliminate five percent of General Revenue Salaries and Benefits available to supplement the Police and Firefighter's Premium Tax Trust Fund in the event of a shortfall in investment earnings which may result in a staff reduction in this activity.

REDUCTION COST CALCULATIONS:

To meet the five percent reduction exercise, the Division of Retirement proposes reducing a portion of the General Revenue contingency funding that is used to offset potential shortfalls in the Police and Firefighters Premium Tax Trust Fund.

This issue calculates five percent of \$802,608 in recurring General Revenue equal to a reduction of \$40,130. (Recurring General Revenue Pensions and Benefits funding of \$18,409,674 is considered pass through and is not calculated in this exercise.)

General Revenue (1000)

Salaries and Benefits (010000) (\$40,130)

Issue Total: (\$40,130)

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
-----	-----------	-----------	----------	----------	---------	------------------------------

A93 - SCH VIIIIB-2 REDUCTIONS

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

OTHER SALARY AMOUNT

1000 GENERAL REVENUE FUND

40,130-

40,130-

=====

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PGM: RETIRE BENEFITS ADMIN</u>		72750300
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE ACTUARIAL SERVICES		33V0920
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
OPERATING TRUST FUND	-STATE 453,637-	2510 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE: IT COMPONENT? NO
 ISSUE TITLE: Reduce Actuarial Services

PRIORITY: 7

SUMMARY:

The Department of Management Services, Division of Retirement proposes a reduction of \$453,637 in actuarial services contracted out by the Division of Retirement.

BACKGROUND:

The division contracts with Milliman USA to perform the annual Florida Retirement System (FRS) actuarial valuation and special actuarial studies requested by the Legislature as well as provide general actuarial consulting services for the FRS. The current annual contract value for work paid from the FRS Operating Trust Fund is \$850,000.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

The budget for actuarial special studies of proposed or enacted legislation would be reduced. Budget amendments may be required for the special studies of proposed and enacted retirement changes. In addition, lowering expenditures will limit the number of requests that can be processed by the consulting actuary for members who request the cost of transferring between the Pension Plan and the Investment Plan.

REDUCTION COST CALCULATIONS:

To meet the five percent reduction exercise, the Division of Retirement proposes to reduce the funding used for actuarial services.

Category: Fiscal Year
 2016-2017

Contracted Services (100777) (\$453,637)

Funding:
 (FRS Operating Trust Fund, 2510, FSI=1)

Issue Total: (\$453,637)

COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES

MANAGEMENT SRVCS, DEPT OF			72000000
WORKFORCE PROGRAMS			72750000
<u>PGM: RETIRE BENEFITS ADMIN</u>			72750300
GOV OPERATIONS/SUPPORT			16
<u>GOVERNMENTAL OPERATIONS</u>			<u>1601.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE OVERTIME			33V0930
SPECIAL CATEGORIES			100000
OVERTIME			102331
OPERATING TRUST FUND	-STATE	122,571-	2510 1
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE:
 ISSUE TITLE: Reduce Overtime

IT COMPONENT? NO

PRIORITY: 9

SUMMARY:

The Department of Management Services, Division of Retirement proposes eliminating \$122,571 from the Overtime appropriation category.

BACKGROUND:

This issue will eliminate all Overtime funding that is used for processing work accumulated during high volume times, including finalizing retirement and DROP applications, processing estimates and other information requests, and processing DROP terminations and distributions.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

The division will be less able to get caught up on work during high volume times, resulting in potentially significantly delayed additions to the retired payroll, DROP distributions, and responses to requests for information.

REDUCTION COST CALCULATIONS:

To meet the five percent reduction exercise, the Division of Retirement proposes an eliminating all funding from the Overtime appropriation category.

Category: Fiscal Year
 2016-2017

Overtime (102331) (\$122,571)

Funding:
 (FRS Operating Trust Fund, 2510, FSI=1)

Issue Total: (\$122,571)

COL A93		
SCH VIII B-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PGM: RETIRE BENEFITS ADMIN</u>		72750300
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
TOTAL: GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
BY FUND TYPE		
GENERAL REVENUE FUND	40,130-	1000
TRUST FUNDS	962,930-	2000

TOTAL PROG COMP.....	1,003,060-	
	=====	

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
PRG: ST PERSON POLICY ADMN		72750400
GOV OPERATIONS/SUPPORT		16
GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED LEGAL SERVICES		33V0620
SPECIAL CATEGORIES		100000
CONTRACTED LEGAL SE		103884
STATE PERSONNEL SYSTEM TF -STATE	81,141-	2678 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE: IT COMPONENT? NO

ISSUE TITLE: Reduce Contracted Legal Services

PRIORITY: 16

SUMMARY:

The Department of Management Services, Division of Human Resource Management (HRM) proposes a reduction of \$81,141 in the State Personnel Policy Administration budget entity (72750400) in the Contracted Legal Services Category (103884) within the State Personnel System Trust Fund (2678) for contracted legal services.

BACKGROUND:

Section 20.22(3) provides The duties of the Chief Labor Negotiator shall be determined by the Secretary of Management Services, and must include, but need not be limited to, the representation of the Governor as the public employer in collective bargaining negotiations pursuant to the provisions of Chapter 447.

Florida is a right to work state; therefore, the right of an individual to work cannot be denied based on membership or non-membership in any labor union or organization. To ensure the orderly and uninterrupted operations and functions of government, Florida's state employees do not have the right to strike. Currently, there are six labor organizations representing State Personnel System employees whose classes are assigned to one of 13 collective bargaining units. The Department of Management Services has two contracts with Allen, Norton and Blue P.A., one where they serve as the Chief Labor Negotiator for the states' Collective Bargaining contract, the other where they provide legal counsel under the General Employment Law contract.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

The Contracted Legal Services Category appropriation is currently \$100,000. Once the reduction is implemented, the remaining appropriation would be \$18,859. This would reduce the states available billable hours from approximately 541 to 102, at the negotiated hourly rate of \$185.

Once the appropriated funds are exhausted, litigation would have to be handled by the Department of Management Services General Counsel's office, which has limited legal expertise in the collective bargaining and general employment law subject areas. This will significantly increase the workload for the General Counsel's office without the benefit of additional resources. In addition, this will impede the state's ability to timely and lawfully respond to new or unexpected issues that may arise during the year.

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PRG: ST PERSON POLICY ADMN</u>		72750400
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED LEGAL SERVICES		33V0620

These functions are governed by sections 20.22(3) and 287.059 and Chapters 110 and 447, Florida Statutes. This recurring reduction would negatively impact the state if the legal requirements are not properly met as required by statute.
 REDUCTION COST CALCULATIONS:

Category

FY 2016-2017

Contracted Legal Services (103884) (\$81,141)

(State Personnel System Trust Fund (2678), FSI = 1)

Total Issue: (\$81,141)

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PRG: PEOPLE FIRST</u>		72750500
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE THE PEOPLE FIRST CONTRACT		33V0690
SPECIAL CATEGORIES		100000
HUMAN RES SVC/STW C		107080
STATE PERSONNEL SYSTEM TF -STATE	1,804,649-	2678 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE: Reduce the People First Contract

PRIORITY: 8

Issue Summary:

The Department of Management Services, People First Team proposes a reduction of \$1,804,649 from the Special Categories: Human Resource Services/Statewide Contract Appropriation Category. This will reduce the annual payment for the People First contract which may result in a reduction of services or contract termination.

Section 110.116, Florida Statutes, requires the Department of Management Services to establish and maintain, in coordination with the payroll system of the Department of Financial Services (DFS), a complete Human Resource Information System (HRIS) for all authorized and established positions in state service. The department may also contract with a vendor to provide the HRIS. Sections 215.93 and 215.94, Florida Statutes, direct the department to be the functional owner of the system.

The department pays its service provider (NorthgateArinso) on a monthly basis for providing the state with a self-service, secure, web-based HRIS, and an enterprise-wide suite of human resource services (known as People First). On December 8, 2009, the department executed an agreement to renew the contract with the service provider through August 2016, which resulted in a cost reduction of \$45 million over the remaining life of the contract.

The proposed \$1.8m reduction will either result in a reduction of services or contract termination. Section 7.2.3 of the People First contract allows either party to terminate the contract within 60 days' notice if the state fails to appropriate for any fiscal year sufficient funds for the department to perform its obligations under the contract. A 60-day termination notice would leave the department and all 222,000 system users in an untenable position to maintain a very complex enterprise-wide HRIS and associated services. The department estimates between 12 and 18 months to effectively transition to a new service provider.

To avoid a termination for non-appropriation, the department would first choose to request specific reductions in contract services and deliverables in exchange for an equitable price reduction. A preliminary analysis of contract services to eliminate or modify did not provide or identify the cost reductions necessary to reach the five percent request. Further analysis and future contract negotiations with the service provider will be necessary to determine which contract services to eliminate or modify. The state has positioned itself to have the intellectual rights to a fully

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PRG: PEOPLE FIRST</u>		72750500
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE THE PEOPLE FIRST CONTRACT		33V0690

functional, comprehensive HRIS meeting the needs of 222,000 users. Recent surveys indicate a significant improvement in customer satisfaction, since 2007. But eliminating or modifying system enhancements, services, or performance metrics would result in a significant drop in customer service, and put the state at risk of not meeting the human resource needs of its customers.

FISCAL INFORMATION:

To meet the 5% budget reduction exercise, it is necessary for the People First Team to propose a reduction of \$1,804,649 from the State Personnel System Trust Fund within the Special Categories: Human Resources Services/Statewide Contract appropriation category. This will reduce the annual payment for the People First contract which may result in either a reduction of services or contract termination.

State Personnel System Trust Fund (2678)

Human Resources Services/Statewide Contract appropriations category (107080) (1,804,649)

Total: (\$1,804,649)

REDUCE PEOPLE FIRST OPERATING		
EXPENDITURES		33V0750
SALARY RATE		000000
SALARY RATE.....	25,030-	
	=====	
SALARIES AND BENEFI		010000
	.50-	
STATE PERSONNEL SYSTEM TF -STATE	35,000-	2678 1
	=====	
EXPENSES		040000
STATE PERSONNEL SYSTEM TF -STATE	15,794-	2678 1
	=====	

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		72000000
		72750000
		72750500
		16
		<u>1601.00.00.00</u>
		33V0000
		33V0750
		100000
		100777
STATE PERSONNEL SYSTEM TF -STATE	23,619-	2678 1
	=====	
TOTAL: REDUCE PEOPLE FIRST OPERATING		33V0750
EXPENDITURES		
TOTAL POSITIONS.....	.50-	
TOTAL ISSUE.....	74,413-	
TOTAL SALARY RATE.....	25,030-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE: Reduction of People First Operations

PRIORITY: 14

SUMMARY:

The Department of Management Services, People First Team proposes a total reduction of \$74,413 of which \$35,000 is from Salaries and Benefits, \$23,619 from Contracted Services and \$15,794 from Expenses. This reduction will impact the team's ability to move forward with the current re-procurement of the People First contract.

BACKGROUND:

The People First Team manages the State of Florida human resource outsourcing (HRO) contract and oversees the performance of the service provider, NorthgateArinso. The HRO contract includes appointments and status, attendance and leave, benefits administration, classification and organizational management, payroll preparation, performance management, recruitment, and reporting, with an external data warehouse component. As part of this HRO contract, the service provider builds and maintains a human resource information system known as People First. This system is a large enterprise-wide Enterprise Resources Planning (ERP) that supports four pay cycles, eight Collective Bargaining Units, eight work schedule variations, 600 interfaces, and over seven terabytes of data.

The People First Team acts as the contract manager to oversee performance and ensure service provider compliance with contract provisions, including agreed-upon performance metrics and delivery of quality services to job applicants and 222,000 system users (state employees and state retirees). The team is a very small but efficient unit and has three distinct and important roles: contract management, project management, and agency support. In addition to its normal contract oversight and operational responsibilities, over the next two years the People First Team will be responsible for the critical activity of planning for contract expiration (e.g., procurement planning and oversight, potential transition to a new vendor, and system enhancements).

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PRG: PEOPLE FIRST</u>		72750500
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE PEOPLE FIRST OPERATING		
EXPENDITURES		33V0750

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

This reduction of \$74,413 would cause a disruption in the delivery of services to job applicants and to all 222,000 users of the People First system. People First users include state agencies, State Courts System, Justice Administrative Commission, Lottery, Legislature, University System, and state retirees. The People First Team is already minimally staffed, and since 2007, the People First Team staffing number has been reduced by 32 percent. Further staff reductions (through a reduction to the Salary and Benefits Category) would hamper the team's ability to effectively provide service provider oversight, coordinate benefits open enrollment and plan for contract expiration.

A budgetary reduction to the contract and expense categories would lessen the Team's ability to remain current with the latest technological advances to the underlying software (SAP). The reduction would also not allow for crucial travel to perform vendor oversight activities (data center, service center and subcontractor data security and contract compliance reviews). In addition, a reduction would lessen the Team's ability to keep current with the Project Management Professional, and Florida Certified Contract Manager and Negotiation certifications, which is crucial with the current re-procurement of the People First contract, potential transition to a new vendor, and oversight of future system changes. Florida Statute Section 287.057 (16)(b) requires a Florida Certified Contract Negotiator to participate on all Invitation to Negotiate (ITN) negotiation teams when the procuring agency expects the value of the acquisition to exceed \$1 million annually. When an agency expects the ITN to result in one or more contracts worth \$10 million, the negotiation team must include a Project Management Professional certified by the Project Management Institute. The re-procurement is expected to exceed \$10 million.

To meet the 5% reduction exercise, the People First Team proposes a reduction of (\$74,413) from the State Personnel System Trust Fund from within the Salaries and Benefits, Contracted Services, Expenses, and Southwood SRC appropriation categories. This reduction will impact the Team's ability to move forward with the current re-procurement of the People First contract.

REDUCTION COST CALCULATIONS:

Category	FY 2016-17
State Personnel System Trust Fund (2678)	
FTE (0.50)	
Salaries and Benefits (010000)	(\$35,000)
Expenses (040000)	(\$15,794)
Contracted Services (100777)	(\$23,619)

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
MANAGEMENT SRVCS, DEPT OF		72000000
WORKFORCE PROGRAMS		72750000
<u>PRG: PEOPLE FIRST</u>		72750500
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE PEOPLE FIRST OPERATING		
EXPENDITURES		33V0750

Total Issue: (\$74,413)

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1025 PEOPLE FIRST BUSINESS CONSULTANT - SES							
P0001 001	0.50-	25,030-		9,970-	35,000-	0.00	35,000-
TOTALS FOR ISSUE BY FUND							
2678 STATE PERSONNEL SYSTEM TF							35,000-
	0.50-	25,030-		9,970-	35,000-		35,000-

TOTAL: GOVERNMENTAL OPERATIONS 1601.00.00.00

BY FUND TYPE

TRUST FUNDS.....	.50-	1,879,062-					2000
SALARY RATE.....		25,030-					

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
PGM: TECHNOLOGY PROGRAM		72900000
<u>WIRELESS SERVICES</u>		72900200
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE STATEWIDE LAW ENFORCEMENT		
RADIO CONTRACT		33V0640
SPECIAL CATEGORIES		100000
SW LAW ENF RADIO CO		104486
LAW ENFORCEMENT RADIO TF -STATE	1,648,577-	2432 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE:

IT COMPONENT? YES

ISSUE TITLE: Reduce Statewide Law Enforcement Radio Contract

PRIORITY: #10

SUMMARY:

The Department of Management Services, Division of Telecommunications proposes a reduction of \$1,648,577 in the Wireless Services budget entity (72900200) in the Statewide Law Enforcement Radio System Contract Payments Category (104486) within the Statewide Law Enforcement Radio System Trust Fund (SLERS) (2432).

BACKGROUND:

Section 282.709, Florida Statutes, requires the Department of Management Services to design, engineer, acquire, implement, operate, and maintain the statewide radio communications system to serve law enforcement units of state agencies and local law enforcement agencies. The Department pays its service provider on a quarterly basis for providing the state with access to a statewide radio communication system with uptime greater than or equal to 99.8%.

Per the contract, the Department remits quarterly payments to the vendor in arrears in the amount of all Trust Fund Net Proceeds deposited during the term. "Trust Fund Net Proceeds" is defined as the gross proceeds from the \$1 surcharge authorized by 328.72(9), Florida Statutes, less (i) the 8% General Revenue Surcharge, (ii) any funds required to maintain the 5% statutory reserve, and (iii) a \$100,000 administrative charge. As is clear from this language, the total amount paid to the vendor each year fluctuates to the same extent that revenues fluctuate. This contract is a 20 year contract through June 30, 2021. Over the past five years, payments have averaged \$16,907,272 with an annual appropriation of \$18,220,000.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

Over the last several years revenues have declined, resulting in excess budget authority in the category established for payments to the vendor. This is why a reduction in budget authority alone would not constitute an Event of Non-Appropriation nor would it constitute an Event of Default .

If, however, achieving this budget reduction includes a sweep of the cash generated to fund this contract, the result would be severe and would not be in the best interest of state and local law enforcement agencies. Our options would include reducing current levels of service or contract termination. Section 7.4 of the SLERS contract allows the

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
PGM: TECHNOLOGY PROGRAM		72900000
<u>WIRELESS SERVICES</u>		72900200
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE STATEWIDE LAW ENFORCEMENT		
RADIO CONTRACT		33V0640

Department to terminate the contract upon 30 days' notice in the event the state fails to appropriate sufficient funds for the payments due to the vendor in the succeeding fiscal year. A 30-day termination notice would leave the state (23 state law enforcement agencies and 43 local public safety entities) without a statewide radio communication system. The department projects that the development of an ITN and the ensuing procurement process would take up to 48 months, or more.

To avoid a termination for non-appropriation, the Department would first choose to request specific reductions in service levels in exchange for an equitable price reduction. Further analysis and future contract negotiations with the service provider will be necessary to determine which services or service levels to eliminate or modify. This is an incredibly sensitive issue as any reduction in service levels associated with the Statewide Law Enforcement Radio Communication System could absolutely endanger the safety of state and local law enforcement, local emergency responders as well as the citizens of Florida.

REDUCTION COST CALCULATIONS:

To meet the five percent reduction exercise, the Division of Telecommunications proposes a reduction of \$1,648,577 from the Statewide Law Enforcement Radio System Contract Payments category (104486) within the Statewide Law Enforcement Radio System Trust Fund (SLERS) (2432).

Statewide Law Enforcement Radio System Trust Fund (2432)

Statewide Law Enforcement Radio System Contract Payments category (104486) (\$1,648,577)

Total Issue: (\$1,648,577)

		COL A93	
		SCH VIIIIB-2	
		REDUCTIONS	
POS	AMOUNT		CODES

MANAGEMENT SRVCS, DEPT OF			72000000
PGM: PERC			72920000
<u>PUBLIC EMPLOYEES RELATIONS</u>			72920100
ECONOMIC OPPORTUNITIES			11
<u>WORKFORCE SERVICES</u>			<u>1102.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE OPERATING EXPENDITURES			
WITHIN THE PUBLIC EMPLOYEES			
RELATIONS COMMISSION			33V0900
OTHER PERSONAL SERV			030000
GENERAL REVENUE FUND	-STATE	109,277-	1000 1
PERC TRUST FUND	-STATE	33,628-	2558 1

TOTAL APPRO.....		142,905-	
		=====	
OPERATING CAPITAL O			060000
GENERAL REVENUE FUND	-STATE	16,326-	1000 1
		=====	
SPECIAL CATEGORIES			100000
CONTRACTED SERVICES			100777
PERC TRUST FUND	-STATE	12,500-	2558 1
		=====	
TOTAL: REDUCE OPERATING EXPENDITURES			33V0900
WITHIN THE PUBLIC EMPLOYEES			
RELATIONS COMMISSION			
TOTAL ISSUE.....		171,731-	
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE: Reduce Operating Expenditures within the Public Employees Relations Commission

OVERVIEW OF AGENCY: The Public Employees Relations Commission (PERC) is a small, independent, quasi-judicial agency with a single program which is to adjudicate and facilitate mediation of public sector labor and employment disputes. PERC also performs other essential non-adjudicatory functions such as registering labor organizations (unions) and conducting secret ballot elections throughout Florida for state and local government employees voting for or against establishing or maintaining union representation.

The agency has absorbed past budget reductions and revenue shortfalls by reorganizing staff, consolidating positions and leased space, cutting non-essential travel and significantly reducing administrative overhead. PERC provides two constitutionally required functions and other statutorily mandated functions with an exceptional performance record.

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
MANAGEMENT SRVCS, DEPT OF		72000000
PGM: PERC		72920000
<u>PUBLIC EMPLOYEES RELATIONS</u>		72920100
ECONOMIC OPPORTUNITIES		11
<u>WORKFORCE SERVICES</u>		<u>1102.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OPERATING EXPENDITURES		
WITHIN THE PUBLIC EMPLOYEES		
RELATIONS COMMISSION		33V0900

ISSUE SUMMARY: Each agency is required to meet a five-percent (5%) reduction target. The Public Employees Relations Commission proposes a reduction of (\$125,603) from the General Revenue Fund in the Other Personal Services (030000) and the Operating Capital Outlay (060000) categories. In addition, PERC proposes a reduction of (\$46,128) from the PERC Trust Fund in the Other Personal Services (030000) and Contracted Services (100777) categories.

STATUTORY REFERENCE: Specific Authority: Article I, Section 6 and Article III, Section 14, Florida Constitution; Chapter 447, Part II and Sections 110.124, 110.227, 112.044, 112.0455, 112.31895, 295.11, Florida Statutes. A statutory change is not required to implement this reduction.

PROGRAM IMPACT: Moderate Impact. The funding for Other Personal Services is predominately used to secure temporary staffing for public sector collective bargaining elections and conversion of microfilm to electronic form for storage in archival databases. The proposed reduction will eliminate seventy-percent (70%) of the Other Personal Services (OPS) category. The inability to secure adequate staffing will likely result in the need for a budget amendment and will prevent the conduct of elections within legislatively mandated standards. Conversion of data produces efficiencies as it provides immediate access to data and eliminates the cost associated with storage outside of the agency. Operating Capital Outlay: This proposal will reduce by forty-four percent (44%) the funding available to purchase equipment, which is already at minimal levels. Contracted Services: Contracted Services reductions will affect the Commission's ability to pursue modifications or upgrades to existing technological resources such as the case management system and web access functions or to launch new initiatives designed to improve access and service to our customers. In consideration of the facts stated above, and in the spirit of fiscal responsibility, the Commission offers the following reductions for consideration. All proposals were developed based on operational needs and to minimize adverse impact on the Commission and those served by the program. The Commission will continue to streamline the organization and identify and explore new and creative ways to increase efficiency, improve services to the citizens of the State of Florida and save taxpayer dollars.

FISCAL INFORMATION: This issue reflects distribution of the five percent (5%) reduction target of \$ 125,603 in General Revenue and \$ 46,128 in the PERC Trust Fund.

General Revenue (1000)

Other Personal Services (030000): (\$109,277)
 Operating Capital Outlay (060000): (\$ 16,326)

PERC Trust Fund (2558)

Other Personal Services (030000): (\$ 33,628)
 Contracted Services (100777): (\$ 12,500)

COL A93		
SCH VIII B-2		
REDUCTIONS		
POS	AMOUNT	CODES

MANAGEMENT SRVCS, DEPT OF		72000000
PGM: PERC		72920000
<u>PUBLIC EMPLOYEES RELATIONS</u>		72920100
ECONOMIC OPPORTUNITIES		11
<u>WORKFORCE SERVICES</u>		<u>1102.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OPERATING EXPENDITURES		
WITHIN THE PUBLIC EMPLOYEES		
RELATIONS COMMISSION		33V0900
TOTAL ISSUE: \$171,731)		

TOTAL: WORKFORCE SERVICES		<u>1102.00.00.00</u>
BY FUND TYPE		
GENERAL REVENUE FUND	125,603-	1000
TRUST FUNDS	46,128-	2000

TOTAL PROG COMP.....	171,731-	
	=====	

COL A93			
SCH VIII B-2			
REDUCTIONS			
POS	AMOUNT		CODES
MANAGEMENT SRVCS, DEPT OF			72000000
PGM: COMM ON HUMAN RELAT			72950000
<u>HUMAN RELATIONS</u>			72950100
GOV OPERATIONS/SUPPORT			16
<u>GOVERNMENTAL OPERATIONS</u>			<u>1601.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE EXPENSES IN THE COMMISSION			
ON HUMAN RELATIONS			33V0560
EXPENSES			040000
OPERATING TRUST FUND	-STATE	6,781-	2510 1
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIII B-2 NARR 16-17 NARRATIVE: IT COMPONENT? NO
 ISSUE TITLE: REDUCE EXPENSES IN THE COMMISSION ON HUMAN RELATIONS

SUMMARY:

In compliance with the reduction exercise the Commission on Human Relations proposes a recurring reduction of (\$6,781) in the expense category of the Operating Trust Fund. Should this reduction be implemented, it would impede the Commission's ability to cover travel expenses associated with needed/required training. The Commission utilizes training to educate its investigative and legal staff on investigative procedures and updates on legal matters associated both Federal and State laws relating to employment and housing discrimination. Without such ongoing training, the quality of service to the citizens of Florida will greatly deteriorate.

REDUCTION COST CALCULATIONS:

Operating Trust Fund (2510)

Expenses (040000) (\$6,781) FSI=3

REDUCE POSITIONS IN THE COMMISSION			
ON HUMAN RELATIONS			33V0610
SALARY RATE			000000
SALARY RATE.....		85,210-	
		=====	
SALARIES AND BENEFIT			010000
		2.00-	
GENERAL REVENUE FUND	-STATE	122,856-	1000 1
		=====	
TOTAL: REDUCE POSITIONS IN THE COMMISSION			33V0610
ON HUMAN RELATIONS			
TOTAL POSITIONS.....		2.00-	
TOTAL ISSUE.....		122,856-	
TOTAL SALARY RATE.....		85,210-	
		=====	

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		72000000
		72950000
		72950100
		16
		<u>1601.00.00.00</u>
		33V0000
		33V0610

MANAGEMENT SRVCS, DEPT OF
 PGM: COMM ON HUMAN RELAT
HUMAN RELATIONS
 GOV OPERATIONS/SUPPORT
GOVERNMENTAL OPERATIONS

PROGRAM REDUCTIONS
 REDUCE POSITIONS IN THE COMMISSION
 ON HUMAN RELATIONS

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 16-17 NARRATIVE: IT COMPONENT? NO

ISSUE TITLE: Reduce Positions In The Commission On Human Relations

SUMMARY:

The Florida Commission on Human Relations (FCHR) is proposing a reduction in the General Revenue Fund of (\$122,856) and (2.00) FTE within FCHR's annual budget.

WHAT IS THE IMPACT OF TAKING THIS REDUCTION:

The proposed reduction of funding and positions may impact the Commission's ability to earn federal revenue that is used to support its Operating Trust Fund.

BACKGROUND:

The Commission receives federal funds from the United States Equal Employment Opportunity Commission (EEOC) and the United States Housing and Urban Development (HUD) for employment and housing cases the Commission investigates and closes. The number of cases referred to the Commission varies each year and, therefore, the amount annually reimbursed to the Commission fluctuates from year to year. In addition, the date the Commission actually receives the federal reimbursements is unpredictable, as the federal agencies undergo administrative changes or experience funding issues.

These factors have contributed to the rapid decline of the Commission's trust fund balance over the past few years. The trust fund balance reached its lowest point ever (\$12,000) during the 4th quarter of Fiscal Year 2008-09, forcing the Commission to "borrow" funds (approximately \$300,000) from another state agency in April 2009 in order to avoid staff layoffs and continue operating until the end of the fiscal year. Almost 30 percent of the FCHR's budget over the last five years has come from trust fund dollars.

REDUCTION COST CALCULATIONS:

(2.00) FTE

General Revenue Fund (1000)

Rate (85,210)

Salaries and Benefits (010000) (\$122,856) FSI=1

Total Issue: (\$122,856)

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
MANAGEMENT SRVCS, DEPT OF		72000000
PGM: COMM ON HUMAN RELAT		72950000
<u>HUMAN RELATIONS</u>		72950100
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS IN THE COMMISSION		
ON HUMAN RELATIONS		33V0610

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
8354 INVESTIGATOR SUPERVISOR - SES							
P0008 001	1.00-	41,106-		18,599-	59,705-	0.00	59,705-
9119 OPERATIONS MANAGER C-SES							
P0009 001	1.00-	44,104-		19,047-	63,151-	0.00	63,151-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							122,856-
	2.00-	85,210-		37,646-	122,856-		122,856-

TOTAL: GOVERNMENTAL OPERATIONS							<u>1601.00.00.00</u>
BY FUND TYPE							
GENERAL REVENUE FUND		122,856-					1000
TRUST FUNDS		6,781-					2000
TOTAL POSITIONS.....	2.00-						
TOTAL PROG COMP.....		129,637-					
TOTAL SALARY RATE.....		85,210-					
=====							
TOTAL: MANAGEMENT SRVCS, DEPT OF							72000000
BY FUND TYPE							
GENERAL REVENUE FUND		368,590-					1000
TRUST FUNDS		10,484,671-					2000
TOTAL POSITIONS.....	39.75-						
TOTAL DEPARTMENT.....		10,853,261-					
TOTAL SALARY RATE.....		606,801-					
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