

Purpose Statement

Recognizing an urgent financial crisis, the union and management of Jobs and Family Services have created a partnership, working together in an attempt to minimize the negative effect on the agency, workers, and quality of services delivered to Ohio's taxpayers.

The committee will gather suggestions- ideas; assemble and evaluate innovative ways to cut costs, work better- smarter; and identify other possible funding resources.

The committee will send forward realistic recommendations with viable rationale for consideration by leadership on cost-savings that could impact both short- and long-term finances, positions and services.

The committee is dedicated to maintaining ongoing communication with employees, members, leaders, and the public. The committee will attempt to address rumors while keeping all informed of the current state and future state of the J&FS changes, challenges, and opportunities.

Ground Rules

All committed to attendance (add SME's as needed)

Recognize **Urgency** - committed to "fast track" all work

Will jointly complete suggestions/rationale by Friday, March 28 for **written rationale** to be presented 1st week in April to leaders.

Treat each other with respect

Choose to respectfully disagree (when necessary)

Ensure confidentiality of the discussions

Build trust with each other

Listen - try not to interrupt each other - give time

Jointly communicate (agree on language)

Keep best interest of Agency in mind at all times!

Divided Recommendations/Suggestions/Ideas into Five Categories

1) Agency Structure

Jobs, Jobs

2) General Revenue

ERIP Eliminate Raises

Eliminate Mgt Perks Debt Collection

Tuition Reimbursement

Work Schedule/Location

Office consolidation Decrease work weeks

Scheduling Job Sharing

Work from home

3) External Expenses

Contractors

Vendors

4) Programs & Systems

Job Processes Programs

Accountability Training

5) Operational Expenses

Supplies Expenses

Postage Travel

Process: Divided according to the focus of the suggestion.

The full committee was then divided into jointly organized sub-groups according to their "areas-of-expertise". Every recommendation, idea, or suggestion was read and evaluated within these sub-groups.

Final recommendations were then put forward by each sub-group and the whole committee made the joint decision to include them dependent upon the Criteria – Guidelines developed by the JBC.

Agreed to follow the Six Step Problem-Solving Process.

Step 1) Identify Problem

Urgent cost-saving initiatives

Viable – realistic recommendations for changes

Step 2) Diagnose

Obvious State budget short-fall

Attempt to find cost savings as early as '09/10 and long-term

Step 3) Solutions

Gather LISTS - Combine similar solutions

Criteria/Guidelines for Evaluation of possible recommendations

Savings Actual dollars –even if can't identify exact amounts

What kind, from where, and when

In-Scope Relates to dollars/financials and the URGENCY (2008-09)

Can be impacted by JBC or J&FS or within some CONTROL

Timeline Savings WHEN – Also look at both Long-and Short-term savings

Parameters Impact/Guidelines of Agency – Within Committee Effort

Impact On Agency, Unit/Dept/Site/Facility, Workers, Customers

Quantifiable Can show will have dollar amount by when/where

Implementable Is it realistic, Do-able, Do a **IF - THEN**

Steps 4) & 5) Select Solutions & How to Implement

How? Will make this work

When? For today or tomorrow

Where? What area/unit/site

CREATE ACTION STEPS - When possible

Step 6) How to Measure/Evaluate = Cost savings long-and short-term

Five Joint Budget Committee Sub-Categories

1) Agency Structure

Jobs, Positions, Jobs

A. Management Reduction

Management is top heavy and exempt staff supervisor too few people.

Recommendation is to Simplify Management Structure

- One line supervisor for at least every eight to ten line workers
- One section chief for at least every four line supervisors
- One bureau chief for at least every three section chiefs
- One assistant deputy director for at least every two bureau chiefs
- Review Administrative Assistant positions to determine necessity and ratio
- Review Management Analysis Supervisors 1 & 2 (MAS) positions to determine ratio needed

Time Frames (Ronna, I think we should be careful putting in timeframes since everything will be dictated by contracts and code) I agree with you on this.

- Beginning May/June 2008, notice sent to exempt staff of management structure
- Beginning May/June 2008, notice is sent to exempt staff of positions that will be maintained effective **(Carolyn – Since this is talking about exempt staff. When is this effective?)**
- Through retention points, full-time exempt staff bump into other exempt Positions (Carolyn – Do exempt staff have retention points? – Just curious, but if this is incorrect, we need to fix it.) **(Ronna yes they do) Thanks, I did not know this**
- By July 1, 2008, all vacant exempt positions are abolished

Potential Budgetary Saving

- Seen as Short-term: Beginning July 1, 2008

B. Downsize of Staff

Abolishment of line staff should affect the following employees: **(This should read: "If abolishment of line staff"(I agree)**

- Rehired Retirees
 - Intermittent Workers
 - Established Term Appointment (ETA) – Bargaining Units Only **(No, it should read Bargaining unit and Exempt) and temp staff by or not contract should go before any ETA B.U. Staff.)** **(Ronna how about before any permanent staff) Your wording sounds much better**
 - Temporary Staff (Employed by Contract)
 - Part-time staff
- Attrition

Time Frames (same concern as stated above) Agree

- Beginning May/June 2008, notice sent to the above position notifying of position abolishment. Effective date of abolished

positions is June 1, 2008 (Exempt) & August 1, 2008 (Bargaining Units).

Potential Budgetary Savings

- Abolishment of ETA positions - \$5,026,630.93
- Abolishment of Intermittent - \$1,742,068.70

Solution for Possible Productivity Loss related to downsizing Staff

- Bargaining units of like classifications absorb additional job functions for abolished bargaining unit positions (This, of course would have to be worked on with the union as working out of class issues may come up) (Ronna, absorbing job duties should be done by other BU positions if it is inappropriate any grievance over the abolishment would address working out of class would not apply)
- Restructuring of Management to absorb additional management responsibilities

C. Job Consolidation of Line Staff

- Post-abolishment of line staff positions, full-time staff could be consolidated by like classification to maintain a minimum number of eight to ten line staff per line supervisor
- Line staff absorbing new job functions will participate in an orientation to the new structure/process
- Bargaining staff will be granted time to discuss new structure/process

Time Frames (same concern) Agree

- Initiated June/July 2008 and effective by July/August 2008

Potential Budgetary Saving

- Begin by August 2008

D. Job Consolidation of Divisions

- Post abolishment of exempt staff, consolidation of line staff positions and utilizing the management reduction formula, divisions of full-time staff can be consolidated
- Review possibility of reclassification issues (**Any layoffs should be the correct classifications and upgrades and downgrades should not have to happen if the correct classifications are layed off.**) (Ronna I think this means when combining offices we need to make sure duties performed by correct classifications it may or may not involve a job abolishment) **OK, I see. I think I misinterpreted this.**

Time Frames (same concern) Agree

- Initiated June 15, 2008 and effective by July 1, 2008

Potential Budgetary Saving

- Begin July 1, 2008

E. Realignment of Jobs

- Positions realigned to different state agencies
 - Workforce Development moved to Department of Development (**Some of this already done, 24 AE's and 2 planners to DOD. Four (4) positions to BOR – Carolyn, I do not know what positions these four are. Can you share this info.?) AND also of utmost importance, all of these positions took the funding with them, so that makes any savings we have identified even less than what it otherwise would have been, Correct?**) (Ronna, I would not want the committee to take credit for this because this movement was in the works long before any budget concerns arose) **I agree, however many of the submitted**

recommendations referred to the transfer of different classifications and job duties before any of the employees knew about the transfer of the AE's etc.

Time Frames (Same concerns) Agree

- Transfer effective July 1, 2008

Potential Budgetary Savings

- 200 CSR's & 30 AE's to include salaries/benefits, facilities & travel/supply expenses (Ronna I don't know what this is do you?)

I think it refers to the transfer as savings due to salaries, benefits, facilities where the positions were located before being transferred out along with any travel and supplies which those positions were utilizing. I think that this particular recommendation (which came in before the actual memo saying the AE's were going to DOD, this particular recommendation talked about CSR's AND AE's going elsewhere.)

F. Consolidations of Offices

- Two to three Agencies within one office (one site)

Time Frames (concern) Agree

- December 2008

Potential Budgetary Savings

- Lease/Rent/Utilities are shared

G. Long Term Cost-Savings Initiatives

- Review all positions (high and mid level exempt first) to determine which positions are redundant and can be re-classified/consolidated
- Create career ladder for bargaining unit staff
- Development of generic job classifications to allow for movement (**The union is always open to discussion that will help the agency further it's mission through realignment of class specs, but we have a negotiated process and my feeling is the union would not**

- be interested in deferring from that process at this time. But I am sure Anissia as the lead staff for ODJFS would be willing to work something out through discussions with management) (I am ok either way with this let me know what Anissia wants to do) (Anissia feels that it would be best to wait and see how things are going to look once all of the layoffs are done and any reorganization has occurred with Local Operations)** within classifications, cross training, adjustment of staffing levels
- Continue to commit to the mission toward successful succession planning
 - Promote an atmosphere where promotions are viewed as opportunities, not potential to be laid off
 - Restructure Consumer Service Representative (CSR) classifications (**This should read, “Customer Service Representative” (I agree)**)
 - Review agency table of organization
 - Re-evaluate Management Analyst Supervisor (MAS) positions as possible bargaining units positions (Ronna I know this was brought up but we really did not discuss. I do not want to agree to this for obvious reasons but also any change like this would have to go through SERB, if Union pursues then we will respond but we will not agree to this) **Understood**

2) General Revenue

ERIP, Raises, Tuition reimbursement, Perks, Work Schedules,

Decrease work weeks, Job sharing, Office consolidations, etc.

A. ERIP's – (Fiscal Year 09)

This was one of the ideas/recommendations we received the largest amount of.

* Structure in order to impact a budget **already written**

* Structure had to realize a savings in '09 – which is **why** One (1) year and such a short window was used.

* Cost comparison was done for a 1 yr, 2 yr, and 3 yr. ERI.

* Unions (SEIU and OCSEA & any other union which may be involved) to Share information with their contacts (re: Cost of ERIP–Statewide) (all agencies) vs. individual agencies and the difference with federal funding/GRF. This is in regards to the new information received by ODJFS

if a statewide ERI or just several agencies. This has to do with federal funding and whether it is declared a statewide offer or not. (Follow up required on this with Anissia, I am not sure where this stands. Anissia would have a clearer idea from the Unions contacts.)(Let me know what Anissia wants to say on behalf of Union our position is that we are following the directive of the Governor's office and we have no control over what other state agencies decide nor do we want to pressure them to offer an ERIP on our behalf) Anissia states this does not appear to be going anywhere, but wondered what OBM came up with.

* Union received information which will assist in explaining the required timeframes for ERIP and why those timelines were necessary.

* Review of Headquarters status/ for cost-savings regarding travel.

* Voluntary cost savings (re: Shortened work weeks–Less hours

per week/Job Sharing/Leaves of Absence) could be short term if started soon but management needs to be able to predict savings

Factor in telecommuting/Home base. Need a *minimum* of a Quarterly commitment.

* TT – Governor – re: benefits to Telecommuting (Lots of articles are being written by both sides. May check with Anissia on where this is going)(Ronna, once again we as an agency have to move forward with the Governor's directive on this issue any changes in this area will have to be submitted solely by Union) Anissia states telecommuting is being done within ODJFS at present by bargaining unit staff with the blessings of mgmt. as they feel it is good business sense (State hearings is not stopping this practice)

Time Frames (concern) Agree

- Initiated June/July 2008 and effective by July/August 2008

Potential Budgetary Saving

- Begin by August 2008

B. **Shortened Work Weeks** – (Less hours worked per week/Job Sharing/Leaves of Absence, etc.)

* Look at Mandatory vs Voluntary –

If **Mandatory** – Is there a cost-savings/what is the impact on service delivery

If **Voluntary** - (*Carolyn is speaking with A. Goodwin*) who may have already worked on a voluntary for another agency (Natural Resources)

Find out what was already worked on, when and how. **(I believe the union is putting together a committee to look at specifics and how ODJFS can offer the VCS (voluntary cost savings) program to their employees) (Anissia and I are discussing how to proceed for ODJFS)**

Time Frames

* Committee requesting more information from PERS as to the effect of a Shortened work week on employees retirement or other benefit issues (ie: years of service, etc) to make viable recommendation – if mandatory, voluntary, both or neither. ODJFS continuing to research with PERS

(Janet Histed) to gather additional necessary information. [\(Janet already shared this info\)](#)

C. FORFEIT RAISES/REDUCTIONS IN PAY

* This was addressed in the Contract through 2009 and can be addressed at that time. **(Contract negotiations)**

D. FREEZE ON HIRING

* Already being done except in those cases where it has been determined by the Director **and** O.B.M. as a **“critical need”** position.

Time Frames

Now

E. OFFICE CONSOLIDATIONS

* Where Staff Located (Clarify geographical jurisdiction)

* # of Staff

* Call Centers – Space Availability (empty cubicles?)

- * Processing Centers – Space Availability (empty cubicles?)
- * One Stops: Level Ones – Traffic Flow (Number of customers in relation to Level Two One Stops)

Time Frames

Again, follow-up will continue by **Carolyn Borden-Collins/Ronn Kolbash** (a separate subcommittee will have to be formed to address) Checking into this – Will get with Shancie Jenkins, Marge Fields, and Jeff in Facilities

F. TELEWORKING/WORKING FROM HOME

- * Already happening with Hearing Officers and OCF Helpdesk – (After review of pilots, is there a possibility of viable cost-savings using teleworking/working from home/virtual offices for any other positions?)

Time Frames

Following through with Anissia Goodwin, OCSEA who may have worked on the pilots for this with OHP and OCF – **Barb Montgomery from OHP and Bill Culver from OCF will bring additional information to the committee.**

3) External Expenses

Contractors, Vendors

Overview

The ODJFS is an \$18 Billion dollar enterprise and as such contractually incurs a great deal of external expenses. Most of these contracts are for goods and services that are necessary to support the business of ODJFS and the taxpayers of the State of Ohio.

Methodology

It was the intention of this sub-committee review both suggestions from our staff and as many contracts a practical within the time constraints we were under. Most of the suggestions submitted from within ODJFS concerned contracts and contract staff.

The sub-committee had a list of contracts submitted by ODJFS MIS, although all ODJFS contracts had been requested. From this list from MIS

we requested further information with regard to specific contracts of a high dollar value. The feeling was that these high dollar contracts would provide more “bang for the buck” if cancelled or reduced.

A. Specific Short Term Recommendations (Carolyn, I think Jim did this, we may just be able to use as an addendum, your thoughts?)(Ronna Jim also discussed that the work could be absorbed by existing positions)

These numbers are being re-estimated by Jim – he will send to you.

1. There are 87 Time and Material contractors in ODJFS MIS that cost approximately \$21,641,006.40 million per year (see Appendix A.) If these contracts were terminated on April 1, 2008, the savings would be approximately **\$5,410,251.60 for the last quarter of FY08, and the full amount for FY09.**
2. There are an unknown number of temporary workers throughout the agency hired through various temporary services. These contracts can also be terminated quickly and would add to savings in FY08 as well as FY09.

The rationale for terminating Time and Material contractors are that in general they are here for staff augmentation and are performing duties that Bargaining Unit staff can perform. Many of these contractors have been on state contracts for many years which would indicate the need to hire state staff to replace them at a lower per annum cost.

The Union recognizes that certain specific contracts may be for duties or positions that the state no longer staffs. These may include specific Database Administrators (IMS) and Unix Systems Administrators. Although it may in the long run be more cost effective to staff these positions also.

B: Long Term Recommendations

Contract audits should commence as soon as possible to determine specific job functions and positions that could return to bargaining unit members at a cost savings to the state.

Questions in the audit should include:

1. Is the contract mandated to a third party by state or federal law?
2. Can Bargaining Unit/Exempt staff perform the duties?
 - a. Can current staff perform the duties?
 - b. Could additional staff added perform the duties at a lower cost as effectively as contract staff?
 - c. Would termination of the contract save money and have little or no impact to services provided?
3. How long has the contract been in force?
 - a. Can it be terminated?
 - b. When can it be terminated?
 - c. Who has the power to terminate the contracts?
4. If the contract cannot be terminated can it be done more cost effectively?
 - a. Can a better price/rate be negotiated?
5. What hidden costs are contained in the contract?
 - a. How can we ameliorate these costs?

Conclusion

The short-term recommendations should be implemented as soon as possible. These would be true cost savings in FY08 as well as FY09 and should reduce the detrimental budgetary impacts to state staff, both bargaining unit and exempt.

The long term recommendations should be implemented as soon as possible as this may help to lesson budgetary problems in FY09 and beyond.

C. Additional Vendors/Contractors Recommendations

- Urgently establish the External Joint Contracting Subcommittee
 - Divided by SEIU 199/OCSEA due to extreme differences in contract
- D. Contracts to be reviewed to determine if bargaining unit staff could complete the work/ and at what cost-savings?
- ORAA – Nursing Home Contracts (At this time, it would not be beneficial to look into these contracts. The contracts are limited due to the dollars that are used. The dollars comes from franchise bed taxes, which can be eliminated at anytime.)

- OHP – CareStar (Additional input: Ohio Health Plans currently has a contract with CareStar to provide two services. 1) They conduct eligibility determination assessments for consumers applying for the Ohio Home Care Waiver and 2) they provide Case Management Services for consumers who are enrolled and receiving services.

This current contract will end in 2008 and a new RFP is being developed to be released.

ODJFS currently has employees with the skill sets to perform the duties of the eligibility assessments. This is a job duty that was performed by state employees prior to the first contract being awarded.

There may be cost savings potential in bringing the eligibility assessments back in house. We would need to look at *the number of assessments completed for the year - *the reimbursement to CareStar for the assessments evaluate to determine if there could be cost savings.)

- ORAA – TALX Corporation
- OEBS – Ohio University)
- OCF – OSU Statistical Consulting Service
- OCF – OSU Research Foundation
- OCF – Human Services Research Institute
- OCF – Institute for Human Services
- OCF – Cleveland State University School of Social Work
- OCF – University of Akron
- OCF – University of Cincinnati
- OCF – University of Toledo
- ORAA – Auditor of State of Ohio
- OCF – OSU
- OCF – Ohio University Department of Social Work
- OCF – Wright State University
- OCF – Excel Management Systems Inc.
- OHP – Ohio Board of Regents
- OHP – Crites Document Management LLC
- OHP – Health Management Systems Inc.
- Child Support – Policy Studies Inc.
- Child Support – Tier Technologies
- Fiscal Services – Maximus Inc.
- UC – Urban Institute (The)
- Workforce Development. – Ohio Board of Regents (The)
- OHP – Automated Health Systems Inc.
- Family Stability – Computer Sciences Corporations
- Family Stability – OSU Research Foundation
- Family Stability – ACS State and Local Solutions

E. *High Priority*

This is in response to yesterday's question about contract types.

Understand Contract types:

A Inter Agency Agreements

B Inter Branch Agreements

C Contracts

D Data Sharing

G Grants

U Memo of Understanding

X DAS Contracts

4) Systems and Programs

Do cost-analysis of the following programs for immediate or long-term savings.

- a) OHP -SME - Cynthia?
- b) REA -SME - Chad Moore
- c) Local OPS - Marge
- d) Workforce Development -SME –Bruce
- e) Administrative License - SME - Madonna

5) Operational Expenses

Look at the servers?

Utility Savings (included in lease)?

Travel – Use more video/tele-conferencing/Reduce per mile \$

OT (Concerned with jobs leaving causing more OT for remaining wrkrs)

Paper Reduction – cut down on excessive printing

Ask if “need” hard copies of things – Reminder signs

Use more technology

Limit EQUIPMENT – Only necessary

Limit Blackberry/other tech to fewer employees

Computers – utilize warranty opportunities

Have ops people identify problem -contact warranty

Or train State tech’s to perform some warranty work/service

Done this way at other agencies.

E-mail provider Updates

Phone services – Logs

Postage – Explain prepaid options/other options for savings

EXTRA: Outside Scope ? or Future Possibilities ?

Find alternative funding sources

Alternative Funding possibilities

Seniority lists:

Pam set up a link - Carolyn gave committee permission to access

The JBC will put out a joint communication following the final sessions to summarize the work of the committee.

How Published?

Total listing of suggestions - put on spreadsheets - Categorized

Fact-based reasoning - rationale part of listing - Listing what is sent forward - and Why

Recommendations and rationale will be sent to Director from the JBC -

But all final decisions regarding cost-cutting initiatives will be solely at the discretion of the Director and Top Leadership.