

**FAIRFAX COUNTY, VIRGINIA**

**MEMORANDUM**

TO: Board of Supervisors

FROM: John J. Adair, Auditor to the Board  
Office of Financial and Programs Auditor

DATE: June 18, 2007

SUBJECT: Quarterly Status Report on Operations

**EXECUTIVE SUMMARY**

Following an agreement reached with the Schools regarding undesignated proffer money, the County transferred \$5.4 million to the Schools this quarter, and will make quarterly transfers in the future. The Schools will provide semiannual reports on how the money has been, or will be, spent.

At the Board's request, we began a review of recruitment and retention problems in the Sheriff's Office. We worked with the Department of Human Resources and the Sheriff's Office staff to evaluate reasons for the number of vacancies and consider solutions. We ultimately will provide the County Executive and the Board with suggestions on how to address the vacancy issue.

We completed our one year analysis of fuel consumed by County vehicles since the imposition of tighter controls over the use of miscellaneous codes to dispense fuel. After seeing consecutive increases averaging 140,000 gallons in the two previous fiscal years, fuel consumed from June 2006 through May 2007 declined by 56,726 gallons compared to the previous 12 months. This decline has saved the County about \$115,000. While other factors such as fuel conservation undoubtedly have contributed to the reduction, we believe the improved controls have achieved their intended impact.

Construction of the Public Safety and Transportation Operations Center (PSTOC), which was started by the Manhattan Construction Company in August 2006, continued to progress on schedule and within budget. The facility is expected to be enclosed by September 2007.

The County also moved closer to issuing a contract for a Computer Aided Dispatch (CAD) and Records Management System (RMS) that represent major components of Information Technology systems that will be used within the PSTOC facility. A contract is expected to be signed for the systems by July 2007. Acquisition of these systems, and the other information technology systems needed for the facility, also are on schedule and within budget.

## **SCHOOL PROFFERS**

For several years, the County has been accumulating unspecified proffer money until a mutually acceptable accounting and tracking system could be implemented.

The Audit Committee asked our Office to meet and work with School officials to see if a reporting system could be established between the County and the School system that would provide a more detailed and coordinated tracking process and would systematically provide periodic reports to the County and the public on the use of the proffer money.

### **Background**

Most new residential development that is approved and constructed in Fairfax County is subject to a development review process that requires a rezoning application and public hearings.

On September 9, 2002 the Board of Supervisors amended the residential development criteria, as recommended by the County's Planning Commission, implementing a cash proffer system for schools. The system became effective January 7, 2003.

A School Public Facilities Impact Guideline was developed in conjunction with the amended residential development criteria.

A school impact report is generated for each residential rezoning application providing information on what impacts could be anticipated by the proposed new residential development. The impact report estimates the monetary proffer contribution based on the anticipated student yields from a proposed new residential development and recommends the developer mitigate the impacts of the development through a proffered contribution.

Using the adopted methodology and the current construction cost data provided in the adopted FY 2007 – 2011 Capital Improvement Program, the Schools' Department of Facilities Planning increased the per student proffer contribution from \$7,500 to \$11,630 for all residential rezoning applications accepted for processing after June 1, 2006.

### **Creation of Semi-Annual School Proffer Report**

We participated in two meetings with School representatives about the County's request for a proffer report. Fairfax County Public School officials agreed that since the County initially receives the proffer money for Schools, there is a shared responsibility between the County and the Schools to see that it is spent for its intended purposes.

The Schools also agreed that a report providing information on when proffer money is paid to the County and when development triggers are met, in combination with existing

tracking of how proffers are or were to be spent, would be useful for its own purposes as well as for the County's need.

The School officials provided a report in March 2007 that showed, for both specified and unspecified proffers, the proffer amount, the amount distributed to schools, the amount expended or committed by schools, and the balance of each proffer.

This report also showed the Supervisory district and the school impacted, and provided a description of how the money was, or is to be, used.

### **Transfer of Proffer Money to Schools**

We presented the School's report to our Audit Committee on March 19, 2007. The Audit Committee reviewed the report and determined that it would meet the needs of the Board of Supervisors.

The timing of the transfer to the School system of unspecified proffer money received by the County was discussed at the Audit Committee meeting, and agreement was reached with School officials attending the meeting that it would be provided on a quarterly basis.

In June 2007, the County will transfer \$5.4 million to the Schools, and will make quarterly transfers in the future. The Schools will provide semiannual reports on how the money has been, or will be, spent to the Board of Supervisors.

### **REVIEW OF VACANCIES IN THE SHERIFF'S OFFICE**

During remarks on April 23, 2007, about the FY 2008 County budget, it was noted that the Sheriff had communicated to the Board of Supervisors a significant issue of recruitment and retention of staff in his Office.

The Board recognized the Sheriff's Office's important role in courtroom security and jail operations and indicated its support to address these vacancy problems.

The Board directed that key County agencies, including our Office and the Department of Human Resources, work with the Sheriff's Office to evaluate the number, and causes, of staff vacancies and return to the County Executive with recommendations on how to address them.

The Review is to include, but not be limited to, a comparison of compensation, recruitment practices, retirement policies and the general vacancy patterns of public safety agencies in the region.

## **Background**

The Sheriff's Office is responsible for managing the Fairfax County Adult Detention Center and Pre-Release Center, providing security in courthouses and the judicial complex, and serving civil process and executions. The Office also interacts with other public safety agencies to allow for a broader response to threats within the community.

The Sheriff's Office has 602 authorized positions and a budget of more than \$57 million. Reimbursements from the State, inmate room and board, and other fees provide more than \$21 million in income, resulting in net costs of about \$36 million.

The jail facility, including the Adult Detention Center and the Pre-Release Center had an average daily population of 1,236 inmates in FY 2006. They are overseen by about 309 of the Sheriff's employees from the Confinement Division.

Another major segment of the Sheriff's Office is the Court Services Division, which provides security for 34 judges and 37 courtrooms in Fairfax County, Fairfax City, and the towns of Herndon and Vienna. In FY 2006, Court Services was responsible for escorting more than 24,000 prisoners to and from these courts. In addition, almost 205,000 civil process documents were processed and served by the Civil Enforcement staff. A staff of 118 is in the Court Services Division.

Fifty positions work in the Administrative Services area which handles such areas as human resources, information technology, training and financial services.

Support Services Division has 125 positions. They handle medical services, logistics, classification and alternative incarceration.

## **Vacancies in the Sheriff's Department**

The Sheriff said that the vacancy rate from 2001 to April 2004 had been extremely low, but that there was a significant increase in vacancies, caused, he said, by a severe decline in the number of qualified applicants after the April 2005 adoption of the Fiscal Year 2006 budget by the Board of Supervisors. The budget that year decoupled the Sheriff's Office's pay from the Police Department.

As of the end of May 2005, the Sheriff said there were 9 vacancies in his Office, but the number of vacancies had increased to 55 by May 2007.

## **Attempts to Improve Vacancy Rates**

The County Executive, in an April 2006 memo to the Sheriff, addressed the issue of vacancies at the Sheriff's Office. He had, prior to writing the memo, reviewed

information dealing with hiring rates, vacancy rates and pay programs relative to the Sheriff's Office using data provided by the Department of Human Resources and the Department of Management and Budget.

The County Executive noted that while the labor market was tightening, there didn't appear to be a compelling rationale for re-instituting parity with the Police Department pay. However, recognizing that most, if not all, the vacancies in the Sheriff's organization were at the entry level, he authorized the Sheriff to offer and pay a signing bonus of \$2,000 to each new hire through June 30, 2007.

Despite the authorized signing bonus, and the Sheriff's Office's participation in more than a dozen job fairs, distribution of recruiting posters and brochures, recruitment at colleges and military bases and advertising in various publications, the Sheriff reported that the number of new hires has been small.

The Sheriff has identified an opportunity for additional revenue in the form of a State approved increase in the Courthouse Security fee from \$5.00 to \$10.00 per case, effective July 1, 2007.

The additional revenue as a result of this increased fee is estimated at \$900,000 annually. The fee, which is directed to courthouse security, would free up funding that could be redirected to other needs. The Board has directed that this funding be held in reserve pending the development of specific strategies and policies to address the recruitment and retention issues in the Sheriff's Office that will be developed by our Office and the other County Departments addressing this issue.

As directed by the Board, we will continue to work with the Sheriff's Office and other County agencies during the next quarter to address the vacancy issue.

### **CONTROLS OVER THE USE OF MISCELLANEOUS FUEL CODES**

Fairfax County agencies use about 3.9 million gallons of fuel a year or more than 300,000 gallons of fuel each month.

We had, in previous Quarterly Status Reports, discussed the need to better control the fuel provided at the County's 47 fuel locations, especially with regard to the use of miscellaneous codes.

In June 2006 the County took action to tighten controls over fuel, particularly with regard to using miscellaneous codes.

Changes now in effect have eliminated miscellaneous codes at agencies that did not use them often; limited miscellaneous code use in certain agencies to specific groups and individuals; and added miscellaneous code use in certain agencies to more easily identify

users and provide better control. Where possible, access to fuel has been limited to certain locations and fuel types.

In addition, unique driver identification PIN numbers were established, and monthly reports are generated for each agency with details (date, time, quantity and location) for all miscellaneous fuel used.

**Fuel Consumption  
Has Been Reduced  
Over the Past 12 Months**

During this quarter, we reviewed the monthly fuel reports generated for County agencies under the new system, and the total monthly use of fuel in March through May 2007 to see whether the reduction in fuel we noted in our previous Quarterly Status Report had continued.

Since new controls were instituted in June 2006, the number of gallons charged to the Miscellaneous Code by County agencies over the 12 month period from June 2006 through May 2007 decreased by 145,549 gallons, while gallons charged to agency codes increased by 88,823.

This means there was a net reduction of 56,726 gallons of fuel, and a savings of about \$115,000 compared to 2005 – 2006 figures for those 12 months.

Prior to this reduction, the amount of fuel issued to County agency vehicles had been increasing, by 197,358 gallons and 84,049 gallons respectively, over the two previous Fiscal Years.

We believe that improved controls over the use of miscellaneous fuel codes have helped to minimize inappropriate fuel issuances, thus helping the County to reduce fuel usage. It is difficult to determine exactly how many gallons of fuel, and consequently how much of the savings, is directly attributable to the improved controls.

Factors such as fuel conservation efforts by the County, the reduction in the number of vehicles in the County fleet, and operational changes within agencies have impacted fuel consumption. However, we believe the improved controls have worked as intended since they were instituted in June 2006.

**PUBLIC SAFETY AND TRANSPORTATION  
OPERATIONS CENTER COSTS**

The County plans to build and open a new Public Safety and Transportation Operations Center (PSTOC). PSTOC will provide public safety and transportation services using coordinated technology and integrated data systems among Fairfax County, the Virginia Department of Transportation, and the Virginia State Police.

PSTOC will include an improved Emergency Operations Center, and a new Public Safety Communications Center that will improve the central routing for all 911 calls received in the County.

Also included in this project, but housed in a separate building, is the Fairfax County Police Department Forensics Facility, including the Crime Scene Section, the Electronic Surveillance Unit, space for the future DNA Laboratory, and NOVARIS (the Northern Virginia Regional Identification System).

The County's share of PSTOC, which includes the Emergency Operations Center and Public Safety Communications Center, is \$102.5 million. The Commonwealth of Virginia's share of PSTOC is about \$20 million. The Forensics Facility, which is being co-located with PSTOC, is an additional \$13 million. The total cost of PSTOC including the County and Commonwealth amounts and the Forensics Facility is \$135.5 million.

Because of the cost and relatively short time frame to complete the construction of the project, our office was asked to monitor the project to help provide assurance that it will be completed on time and within budget and will deliver the expected functionality.

### **Progress This Quarter on the PSTOC Construction Project**

The County awarded a contract to the Manhattan Construction Company for \$56,111,000 in June 2006. The contract amount was in line with County estimates. Construction work began in August 2006.

During this quarter, the steel shells of the PSTOC and Forensics buildings were completed and the contractor began attaching the pre-cast concrete panels to the PSTOC steel structure. About five or six of the 286 panels, each weighing about 30 tons, are added to the structure daily. All of the panels should be attached by about mid-July.

With regard to utilities, both gas and electricity will be installed in the PSTOC facility by the end of June 2007.

By the end of September, The PSTOC structure is expected to have its walls, windows, and roof installed and the building will be watertight.

Landscaping, involving planting over 1,000 shrubs and more than 800 trees that will surround the PSTOC facility, is in progress.

County staff said the PSTOC construction is progressing on schedule, and within budget, with substantial completion anticipated in Spring/Summer 2008.

**PSTOC Information**  
**Technology Progress**

About \$37 million of the County's PSTOC project cost involves information technology. Timing of the purchases of information technology equipment is very important because while the equipment must be available when the PSTOC becomes operational, the County wants to hold off on purchasing the equipment as long as possible to ensure it has the latest technological changes for the equipment purchased.

**Computer Assisted Dispatch and**  
**Records Management Systems**

Late in 2005, a Request for Qualifications was issued for a Computer Assisted Dispatch (CAD) system and a Records Management System (RMS) resulting in 12 responses. Six of the 12 were pre-qualified, and a Request for Proposals was issued in April 2006. Three of the six responded to the Request for Proposals for the system.

The County evaluated the technical proposals of the three bidders for the CAD/RMS systems, and two vendors remained in the process.

As part of its evaluation County staff made site visits to jurisdictions employing similar software configurations or offering valuable functional or implementation lessons to Fairfax County in order to observe vendor systems in operation.

County staff scheduled oral presentations by the two vendors regarding their proposed systems. The two companies were provided with a list of issues and questions regarding their proposals in March 2007 and were allowed three weeks to prepare their responses to the issues.

The oral presentations were held in April, and each contractor had one day to provide their answers to the issues identified by the County during the evaluation of the technical proposals, business proposals, vendor product demonstrations and site visits.

After the site visits and oral presentations, the County determined that one of the bidders provided the best combination of functionality and cost. The County began 10 days of clarification and negotiation with that vendor, in two day increments, beginning in mid-May 2007. Two additional days are being scheduled for the last week in June 2007.

These clarification and negotiation meetings have addressed the functionality of the CAD/RMS system proposed by the contractor in terms of meeting the County's needs and ensuring vendor understanding for the fixed price contract.

After the negotiations are concluded, the contractor will submit a cost proposal reflecting all clarifications and agreed upon approaches to meet County requirements. The cost

proposal is expected to be received and reviewed by mid-June, and a contract for the CAD/RMS systems may be awarded by the end of July, 2007.

### **Progress Involving Other Systems**

The Computer Aided Dispatch System is an important part of the PSTOC operations, but just one of many functions critical to PSTOC operations.

Progress continued to be made on the other systems, such as the E-911 telecommunications equipment; cabling; the audio/video system to support operations; an in-building antenna system; furniture for 59 call taker positions for the housing of the radio, CAD, and voice equipment for the 911 operations; and a building security system.

This quarter, the County completed audio/video system design and issued a Request for Qualifications for the audio/video system. The County expects to issue a Request for Proposals in July 2007, and to award an audio/video contract by January 2008. The County also expects to award a telephone systems contract by September 2007.

As of this quarter, the acquisition of the CAD/RMS systems, and the other Information Technology systems, are on schedule and within budget.

We will continue to provide periodic updates regarding the status of the PSTOC project in future quarterly status reports.