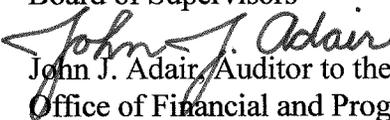


FAIRFAX COUNTY, VIRGINIA

MEMORANDUM

TO: Board of Supervisors
FROM:  John J. Adair, Auditor to the Board
Office of Financial and Programs Auditor
DATE: March 23, 2009
SUBJECT: Quarterly Status Report on Operations

EXECUTIVE SUMMARY

This quarter, after reviewing construction costs for the recently completed McConnell Public Safety and Transportation Operations Center, (MPSTOC) County staff transferred an additional \$3.0 million from the construction budget to the General Fund.

This brings the total transferred to \$8,540,000. Staff credits extensive planning, needs assessment, coordination among all stakeholders and the minimal use of change orders as factors in allowing the County to complete the MPSTOC project under budget, and transfer this money to the General Fund.

We continued to monitor the Police Department's citation of County, rather than State, codes whenever possible when writing traffic tickets, and the corresponding increase in revenue. We estimate that the County will realize more than \$1.25 million in additional revenue from traffic fines in FY 2009 compared to FY 2008.

We continued our review of contracts awarded for consulting and other services. County agencies have been reviewing these contracts and have made proposals to reduce or eliminate a number of them. The FY 2010 advertised budget contains proposed reductions of more than \$7 million in such contracts for the Board's consideration. While not all the suggested reductions may be accepted, there will be a substantial decrease in the cost of these contracts in Fiscal Year 2010.

At the Board's request, we are reviewing the Department of Tax Administration's efforts to collect sales taxes that had been improperly paid to other jurisdictions. As of March 9, 2009, the County has identified a net of \$4.3 million of these payments and is making changes to help ensure that all appropriate sales tax payments come to Fairfax County.

We began a review of County health care costs. The County, which is self insured with regard to health benefit claims, paid out about \$86 million in claims in FY 2008, and \$4.8 million in administrative costs to health care providers. We are working with County staff to see if there are opportunities to reduce costs associated with the program.

**CONSTRUCTION MONEY RETURNED
TO THE COUNTY GENERAL FUND**

The County has constructed a new Public Safety and Transportation Operations Center (MPSTOC). The Center, named after former Springfield Supervisor Elaine McConnell, provides 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.

MPSTOC includes an improved Emergency Operations Center and a new Public Safety Communications Center that will improve the central routing for all 9-1-1 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).

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

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

By July 30, 2008, the MPSTOC facility was substantially completed, within its budget, just ahead of its July 31, 2008, estimated completion date. County and State staff began moving into the facility in August and September. The official ribbon cutting ceremony occurred on October 10, 2008.

**Transfer of \$8.5 Million
to the General Fund**

Over the past year, the County staff has transferred \$8,540,000 that had been budgeted for the MPSTOC project to the General Fund, consisting of:

- \$2 million in April 2008 to help balance the Fiscal Year 2009 County budget,
- \$2,040,000 in September 2008 as MPSTOC was being completed,
- \$1,500,000 in October 2008, and
- \$3 million in January 2009.

The \$1,500,000 transferred in October 2008 had been considered for use in building a DNA Lab for the Forensics Facility. However, the DNA Lab would have been an additional task to the original scope of services included in the MPSTOC contract. In light of the funding constraints facing the County in the current Fiscal Year and in Fiscal Year 2010, the County decided to delay this project and return the money to the General Fund.

The \$3 million transferred in January 2009 was a result of cost savings in all categories. As the County moved through the "punch list" of items that needed to be completed by the contractor, and alleviated the risk factors, \$3 million in additional funds became available and were transferred to the General Fund.

The successful construction of MPSTOC, including the information technology aspects of the project, is attributed by staff to be the result of many factors, including cooperation among the County project team staff members, its consultants and the contractors.

Staff also credits extensive planning, needs assessment, value engineering, stakeholder coordination, minimal change orders and the efficient application of financial resources as contributing factors in the project being completed on schedule and within budget.

REVIEW OF REVENUE FROM FINES FOR TRAFFIC VIOLATIONS

At the Audit Committee's request, we began a review in October 2007 of revenue from fines for traffic violations. The Committee was concerned that the State, rather than Fairfax County, was receiving the revenue from some fines because Fairfax police officers were citing State, rather than the County, codes for certain violations.

In essence, if a traffic summons written by the Police cites a County code violation, the money from the fine belongs to the County. If a State code is cited, the money goes to the State, minus the court costs which stay in the County.

Police had advised us that during the first 9 ½ months of 2007, about 15,000 summonses cited State codes even though existing County codes could have been cited.

The Board of Supervisors, at its January 11, 2008, meeting, directed that the Police and County Attorney's Office take action to ensure that where County codes exist, the County code be cited when writing traffic summonses.

The Board made it clear that it was not suggesting that there be an increase in the number of summonses written, but stated that when summonses were written, they should be written using the County code where appropriate.

The Police and County Attorney's Office had already begun to take action prior to the January 11, 2008, meeting. The Chief of Police issued a memo to his command staff on

December 23, 2007, reaffirming the Department's policy that officers shall cite offenses under the County code whenever an applicable County code section exists.

**Results of Actions Taken by Police to Cite
County Code Where Appropriate**

The results of the Police efforts for calendar year 2008, compared with 2007, showed that Fairfax Police officers are following the direction of the Chief's December 2007 memo on this matter.

During 2008, County code was charged for about 88% of the violations compared to 75 % of the violations cited during 2007. This is, for all practical purposes, about as high a percentage as can be reached since a number of violations, such as seat belt use violations, can only be charged to State code.

The Police Department is keeping track of the charges to County and State code, and its numbers show that during the last six months of 2008, County codes were being cited for about 99% of the County-writable violations.

The number of citations of County codes in 2008 increased by about 39,000 compared to the prior year. Part of the increase is due to the fact that more citations for traffic violations were written in 2008, but more than half of the increase is due to Police officers citing the County code whenever an applicable County code section exists.

The additional tickets written to County codes provided the County with additional revenue from traffic fines. For the first 8 months of Fiscal Year 2009, compared to Fiscal Year 2008, the monthly revenue from traffic fines increased by an average of more than \$100,000 per month. This translates into about a \$1.25 million increase for Fiscal Year 2009 if this trend continues.

The Police Department continues to work on a long term solution for the problem that would provide an electronic ticketing platform for traffic enforcement to ensure that when an officer writes a traffic summons, that platform will default to the County code whenever appropriate.

**REVIEW OF CONSULTANT
AND OTHER CONTRACTS**

We continued our review of contracts awarded for consulting and other services. County agencies, as part of their Lines of Business reviews, also have been reviewing these contracts. In order to reduce their FY 2010 budgets, they have made proposals to reduce or eliminate a number of them.

The FY 2010 advertised budget contains proposed reductions of more than \$7 million in such contracts for the Board's consideration. While not all the suggested reductions may

be accepted, there will be a substantial decrease in the cost of these contracts in Fiscal Year 2010.

Overview of Contracts

We worked with the Department of Purchasing and Supply Management (DPSM) to get information regarding County contracts, including those which provide consultants for staff augmentation.

Consultants who provide staff augmentation often are of valuable assistance to the County by providing expertise not possessed by County staff, or by providing assistance for a short period of time when needed.

Out of more than 2,700 current contracts, the DPSM determined that 215 contracts may include "contract staffing" which was defined as personnel placed for a minimum of 6 months within a County department doing the kind of work that possibly might have been done by County merit staff.

DPSM sorted the 215 contracts, involving 1,026 purchase orders, by agency. On November 4, 2008, the DPSM Director sent a memo to 26 Departments and Agencies requesting information on the use of staff augmentation contracts for Fiscal Years 2007 and 2008. Information prior to Fiscal Year 2007 had been purged from the system.

The memo requested that agencies provide information on the selected consultant contracts, including a description of duties of the consultants, the contract rate paid for each individual, the number of months the individual worked, and the dollar value of payments for services by fiscal year.

As the consultant information was received, we noted that many contracts were for small amounts, such as for temporary clerical work, or for services used only periodically. These do not appear to offer opportunities to save money.

Other consultants were working for County agencies engaged in Enterprise Fund operations. Reducing or replacing these consultants would not have an impact on the General Fund.

Some of the contracts, however, appeared to warrant further discussion and review with County agencies

Analysis of Contracts by County Agencies

As we were conducting our review of consultant contracts, the Board of Supervisors was conducting a Lines of Business Review which required each County agency to present the Lines of Business it operated, and determine how 15% could be cut from them.

When the County Executive presented his FY 2010 Advertised Budget on February 23, 2009, it included hundreds of reductions proposed by County agencies, including many that proposed reducing or eliminating consultant and other contracts.

When we reviewed these proposed reductions in consultant and other contracts, we noted that they totaled more than \$7 million.

For example, the Department of Information Technology (DIT) proposed reductions in, or elimination of, staff augmentation contracts that totaled \$940,900, as shown in the chart below.

<u>Reduction</u>	<u>Amount</u>
Reduce by one third the System Support in Land Development and Code Enforcement	\$100,000
Reduce by about 60% the System Support for Public Safety Applications	\$100,000
Reduce by about 70% the System Support of Tax Systems (Personal Property)	\$100,000
Reduce by about 45% the Infrastructure Support (For over 700 Servers and Storage systems)	\$250,000
Reduce Support for GIS Systems	\$125,000
Reduce Website Support by about 45%	\$75,000
Reduce Database Support by eliminating staff augmentation supporting more than 50 Oracle, and other, databases	\$90,900
Reduce Information Security Support	\$100,000
TOTAL	\$940,900

Other County agencies made similar proposals. Appendix I provides examples of consultant and other contract reductions proposed by County agencies, and included in the County Executive's February 23, 2009, Advertised Budget.

While not all of the proposed reductions may be included in the final adopted FY 2010 budget, it is likely that the majority of the proposed reductions will be included.

We will continue our review of consultant and other contracts during the next quarter, and provide information on reductions in these contracts in the adopted FY 2010 budget.

REVIEW OF SALES TAX COLLECTIONS

At its meeting of June 30, 2008, the Board of Supervisors discussed the issue of sales taxes being inadvertently paid to the wrong jurisdiction. One Supervisor pointed out that Henrico County, Virginia, estimated they lose about \$5 million each year to Richmond when business owners inadvertently pay their local sales taxes to the wrong jurisdiction.

The Board indicated that Fairfax County's Department of Tax Administration (DTA) was aware of this issue, and already had reclaimed \$2.5 million in sales taxes that either went to the State or surrounding jurisdictions.

At the June 30th meeting, the Board of Supervisors requested that we inquire into the County's collection of sales taxes to determine what, if any, funds are being sent to the Commonwealth or surrounding jurisdictions that should be sent to the County, and what measures are being taken to ensure those funds are returned.

Identifying the Misallocation

There are approximately 7,400 retail businesses in Fairfax County that pay both a State and a 1% local sales and use tax. Any retail business with a location in Fairfax County should allocate the local portion of their sales taxes to Fairfax County-FIPS Code 51059 when paying its monthly sales tax to Virginia.

FIPS is an acronym for Federal Information Processing Standards codes. These codes are issued by the National Institute of Standards and Technology (NIST) and are used to ensure uniform identification of geographic entities throughout all government agencies.

The Virginia Department of Taxation collects sales tax revenues, and the State Comptroller then distributes those revenues on a monthly basis to those local governments within the State.

DTA learned in February 2008 that some sales tax revenue that should have been credited to Fairfax County was being credited improperly to the Commonwealth or to other jurisdictions. The primary reason this was occurring was that Fairfax businesses used the wrong FIPS code.

In addition, some Fairfax businesses were not putting a FIPS code on the forms when they sent payment causing the local portion of the taxes to be put in the "Unassigned" status fund by the Virginia Department of Taxation.

DTA immediately began a review of this matter. During this process, DTA learned that Henrico County had been experiencing similar sales tax problems. Because of their experience, Henrico County staff was instrumental in helping DTA accelerate its discovery efforts in identifying and reporting the misallocation of sales taxes to the state.

Total Sales Tax Misallocated Identified to Date

As of March 9, 2009, DTA has identified and requested transfer of a net of \$4.3 million dollars in misallocated sales taxes. DTA found \$10.8 million in sales tax that should have been paid to the County (from 362 businesses) and \$6.5 million erroneously paid to the County (from 131 businesses). Affected jurisdictions include the City of Alexandria, City of Fairfax, City of Falls Church, Arlington County, Fauquier County, Loudoun, and Prince William Counties.

DTA's current process for identifying misallocated sales taxes began with the creation of a list of all the retail business license accounts filed in the DTA business database.

The Virginia Department of Taxation gave DTA expanded access to the State's Integrated Revenue Management System (IRMS). With this access, DTA is able to conduct a review of businesses' state tax filings and identify where the local portion of sales taxes paid is being allocated.

Once DTA finds that sales taxes have been misallocated, the length of time of the misallocation and the total dollar amount must be determined. Therefore, DTA must access each month's sales tax returns separately to be able to determine both factors. The Virginia Department of Taxation is currently working with the Commissioners of the Revenue Association of Virginia, of which DTA is a member, to streamline this process for future audit.

To avoid future misallocations, DTA is notifying each of the businesses with whom errors have occurred via a letter. The letter advises them of the correct FIPS code. DTA also will monitor these businesses to ensure compliance.

Request for Transfer of Funds

Once the amount of the misallocation is determined, DTA forwards a request for transfer of funds to the Virginia Department of Taxation, whose audit and registration sections conduct a full review of the accounts to confirm the transfer request totals. By statute, misallocated funds can be requested for refund for a period of 36 months.

When registering a claim with the state for transfer of the misallocated sales taxes, DTA must also contact the affected jurisdiction from which funds are being transferred. DTA then obtains confirmation from that jurisdiction and they specify the method of payment. Virginia Code §58.1-605 (F) provides that payments can be made in a lump sum or in monthly installments not to exceed six (6) months.

For those localities that erroneously receive misallocated sales tax revenue, and assuming a lump sum payment is not made, the State Comptroller is required to make reductions in

future allocations to that locality over a six-month period. Each reduction is to be one-sixth of the total adjustment.

**Unassigned Funds
Held by the State**

When the Virginia Department of Taxation is unable to determine correct allocation of the local portion of sales taxes paid, often due to the failure of the business to include its FIPS number, the funds are placed into an “UNASSIGNED” status. Jurisdictions can make claim of these funds for up to 36 months. A request for transfer of these funds does not require approval from another jurisdiction; therefore, transfer is much faster. If these funds are not claimed, a proportional transfer to all VA jurisdictions is made.

DTA staff follows the process explained above for miscoded FIPS numbers to identify Fairfax County businesses with funds in unassigned status, and request that the Virginia Department of Taxation release those funds to Fairfax County.

**DTA Actions To Prevent
Misallocation Of Sales Taxes**

DTA has sent a letter to all Fairfax County retail merchants, asking them to provide the current FIPS code to which they are allocating their paid sales taxes. This will help DTA identify businesses using the wrong code. This letter already has resulted in the identification of \$1 million erroneously paid to the City of Alexandria over a three year period by the retailer, Target, which had a mailing address that said “Alexandria”, but was actually located in Fairfax County.

In addition, a required field for the FIPS code was added to the annual Business Professional and Occupational License (BPOL) application mailed in January 2009. This will assist DTA in the continuous monitoring of business accounts from year to year. If a business reports any FIPS Code other than Fairfax County-51059, or if they report no FIPS code at all, this will alert staff to take a closer look.

DTA will continue to audit sales tax allocations and will coordinate with the County’s Department of Management and Budget for purposes of revenue forecasting. We will continue to monitor and report on DTA’s efforts to collect local sales taxes improperly sent to the Commonwealth or other jurisdictions in our next quarterly status report.

REVIEW OF HEALTH CARE COSTS

This quarter, we began a review of County health care costs. The County, which is self insured with regard to health benefit claims, paid out about \$86 million for claims in FY 2008 and about \$4.8 million for administrative costs to health care providers. Claims are expected to exceed \$100 million in FY 2010, and administrative costs to exceed \$5.2 million.

The County offers its employees and retirees several health insurance alternatives. Self-insured plan options include point of service (POS) preferred provider option (PPO) and an open access plan (OAP) which combines aspects of both a POS and PPO option plan. A fully-insured Health Maintenance Organization (HMO) is also available.

The County's current selection of health insurance alternatives is the result of revisions enacted in FY 2007. The County partnered with the Fairfax County Public schools and undertook a selection process in calendar year 2006 to choose new providers for all health insurance products in order to leverage the County's position in the marketplace and achieve competitive rates.

We will be working with County staff to see if there are opportunities to reduce costs associated with the program.

APPENDIX 1

**PROPOSED REDUCTIONS IN CONSULTANT AND OTHER CONTRACTS
DURING THE FY 2010 BUDGET PROCESS**

FUND 501 – COUNTY INSURANCE

501-01 Safety and Loss Prevention \$25,000

DESCRIPTION OF REDUCTION

This reduction eliminates the contract for outside consultants to perform ergonomic assessments. The reduction will require County agencies to solicit contracts on an as-needed basis for ergonomic consultations.

501-01 Safety and Loss Prevention \$45,000

DESCRIPTION OF REDUCTION

This reduction eliminates the use of outside consultants to perform workplace environmental evaluations. Terminating this contract requires County agencies to fund as-needed consultations.

501-01 Safety and Loss Prevention \$100,702

DESCRIPTION OF REDUCTION

This reduction eliminates certain aspects of the Public Access Automated External Defibrillator (AED) Program, focusing on elimination of the use of contractor to perform training, maintenance, and other program monitoring.

501-02 Claims and Rehabilitation \$189,263

DESCRIPTION OF REDUCTION

This reduction reduces the use of a contract for claims investigations and settlement process. Automobile liability and general liability claims (involving storms, sewers, public safety incidents) now handled by a third party claims administrator, will be handled internally by the Risk Management Division's staff.

Facilities Management Department

08-03 Facilities Building Services \$172,457

DESCRIPTION OF REDUCTION

Reduces contracted landscaping services but maintains mowing services contracts at 82 County facilities which are maintained by the division. The remaining County inventory of facilities is maintained by the Sheriff's Office Community Labor Force (CLF) or the user agency.

08-03 Facilities Building Services \$100,000

DESCRIPTION OF REDUCTION

Reduces the County's arboreal services contract from \$150,000 to \$50,000 annually. Funding will only address emergency arboreal requests. Funding currently supports the clearing of downed trees, removal of dead or unsafe trees, and planting new trees where necessary at over 700 parcels where the division has maintenance responsibility. The funding is used primarily for reactive and proactive tree work.

08-04 Development and Planning \$86,600

DESCRIPTION OF REDUCTION

Reduces the County's architectural and design services contracts and the level of service provided to County agencies for space programming requirements.

This will require in-house staff to perform additional services rather than outsourcing the work. The workload will increase. Project schedules are expected to increase from six to eight weeks to almost three months.

08-02 Facilities Projects, Engineering, and Energy Management \$65,000

DESCRIPTION OF REDUCTION

Reduces professional services contracts including design consulting services.

The impact of reducing professional consulting services contracts will result in an increase of in-house staff designing non-capital renewal projects. After the reduction of \$65,000, a balance of \$119,667 will remain in the account.

08-01 Facilities Operations and Maintenance \$253,190

DESCRIPTION OF REDUCTION

Reduces outside contractor support for maintenance and repair work done through time and material contracts.

Outside contractors are used to supplement in-house staff with unscheduled work and major repairs. Currently in-house staff focuses on preventive maintenance and minor repairs.

08-03 Facilities Building Services \$2,130,926

DESCRIPTION OF REDUCTION

Reduces the portion of the security services contract that provides physical security at most County facilities.

Physical security will still be provided at the Courthouse, all non-General Fund (self-supporting) agencies, and the McConnell Public Safety and Transportation Operations Center (MPSTOC). In addition, cameras will be monitored on a limited basis for facilities that are classified as Very Critical, including the Government Center Complex (including Pennino and Herrity) and South County Center.

Security reductions include security personnel reductions at selected community centers, human services buildings, public safety campuses and the Government Center complex.

When possible, cameras will be monitored for facilities that are classified as Very Critical, including the Government Center Complex and South County Center. It should be noted that Courthouse security funding is paid by the Office of the Sheriff and is not part of the \$2,130,926 reduction.

08-01 Facilities Operations and Maintenance \$100,000

DESCRIPTION OF REDUCTION

Reduces funding to support contracted on-site elevator mechanics. The contracted mechanic positions will decrease from two to one.

08-03 Facilities Building Services \$334,835

DESCRIPTION OF REDUCTION

Eliminates custodial day porter services at Judicial Center, Herrity, Pennino, Reston Human Services, South County, Woodburn Mental Health, Gum Springs Community Center, McConnell Public Safety and Transportation Operations Center (MPSTOC), Pohick Library, Kings Park Library, Patrick Henry Library, Fairfax City Library, Centreville Library, Sherwood Library, Chantilly Library, Reston Library, Tyson's Pimmit Library, George Mason Library and West Ox Bus Garage.

Custodial Day Porter services include: special cleanups for special events, and emergency cleanups due to floods, mold, mildew, sewage backups, and medical or waste spills.

Department of Human Resources

11-01 and 11-04 Employment Compensation & Workforce Analysis \$60,000

DESCRIPTION OF REDUCTION

Reduces funding for IT consultant support by 42 percent for several department-owned and maintained information/software programs.

Department of Housing and Community Development

38-07 Organizational Management and Development \$73,725

DESCRIPTION OF REDUCTION

Reduce the operating budget for contractor-provided language translation services.

The agency may have a reduced capability to meet the language translation needs of the agency's diverse clientele. Additionally, the agency may delay the translation of its Web-based application process and program brochures to multiple languages. Face to face translation services and phone translation services will continue to be available.

38-05 Community and Neighborhood Improvement \$160,000 (\$120,000 contracted)

DESCRIPTION OF REDUCTION

Eliminate funding for the agency's non-profit training program which provides \$120,000 for training to increase the capacity of community-based nonprofit organizations, as well as \$10,000 annually to four County human services agencies for internal training.

Department of Transportation

40-03 Transportation Planning \$100,000

DESCRIPTION OF REDUCTION

This reduction decreases \$100,000 in the Transportation Planning Program budget, eliminating funding allocated for modeling projects.

This reduction eliminates the agency's ability to enlist the assistance of consultant firms for basic training, technical support and assistance for Department of Transportation modeling staff. Collaborative relationships have been established with modeling consultants through the County's newly established on-call consultant contract.

Fairfax County Park Authority

51-04 Park Maintenance \$155,000

DESCRIPTION OF REDUCTION

The reduction results in a 36 percent decrease in contractual funding for mowing at RECenters, Lakefront Parks, Laurel Hill, and other park areas. All parks will be impacted with reduced mowing frequencies.

Department of Family Services

67-15 Homeless Services to Individuals and Families \$318,727

DESCRIPTION OF REDUCTION

The County's homeless shelters are operated by non-profit contractors that provide shelter to residents, meals, security, case management, supportive services, and basic life skills education. This reduction reduces the Homeless Shelter contracts by 5 percent.

Case management services will be reduced, thereby impeding timely access to critical services. Safety and security issues in shelters are likely to be exacerbated as providers reduce staff and have even greater difficulty attracting and retaining evening and weekend staff. This reduction will further hinder the County's efforts to end homelessness within 10 years.

67-06 Public Assistance Programs and Work Services \$219,619

DESCRIPTION OF REDUCTION

The Health Care Access Assistance Team (HAAT) contract provides outreach and links low-income children and their families to local health services, as well as other local, state and federal forms of assistance and services. Contracted HAAT staff provides outreach services and service coordination for local social service programs.

County staff supplements these outreach and service coordination efforts and determines eligibility for all local, state and federal assistance programs.

Eliminating the HAAT contract will reduce services to approximately 450 individuals each month.

67-11 Child Abuse and Neglect Prevention Services \$120,554

DESCRIPTION OF REDUCTION

The Healthy Families Fairfax program focuses on preventing child abuse and neglect through family strengthening and parenting education in community-based settings. It provides home-visiting services to new parents with histories of family violence to increase the likelihood of a child's healthy birth and development.

In FY 2007, 638 families were served. The Healthy Families Fairfax contract is reduced by an additional 10 percent for a total reduction of 15 percent. reduction.

This reduction eliminates three more home visitor positions and related operating expenses and means 75 fewer families will be served through the program. Cumulatively, reducing this contract 15 percent reduces home visitor positions by five, and the number of families served by 125.

67-06 Public Assistance Programs and Work Services \$324,323

DESCRIPTION OF REDUCTION

Informal job centers are supported through a contract to provide job services in Annandale and Culmore and serve an average of 250 people a day, six days a week. This reduction results in the elimination of the informal job center program.

Closures will most likely result in congregation of individuals looking for work in unintended areas. The disorganization that existed before the establishment of these sites, such as workers rushing to cars to solicit employment, may resume. Community complaints on issues relating to sanitation, perceived safety and crime may increase. Incidence of these workers not being paid for their work or being paid fraudulently may also increase.

Department of Administration for Human Services

68-02 Contracts Management \$21,306

DESCRIPTION OF REDUCTION

This reduction eliminates in its entirety funding for temporary clerical support in the Contracts Management Division.

68-04 Human Resources \$50,000

DESCRIPTION OF REDUCTION

This reduction eliminates an annual baseline funding appropriation that is utilized by the Human Services Professional Development Program, which focuses on training needs that cut across all Human Services departments.

This program engages a variety of consultants and taps professionals with areas of expertise with previously developed criteria, thereby reducing the need for County staff to develop new training courses.

Juvenile and Domestic Relations District Court

81-02

Judicial/Court Services Administration \$330,000

DESCRIPTION OF REDUCTION

This reduction will eliminate the County contract with TES, a co-ed alternative day school which serves as a prevention program for up to 40 delinquent, at-risk adolescents.

This reduction will have a minor impact on level and quality of services provided.

81-02 Judicial/Court Services Administration \$120,000

DESCRIPTION OF REDUCTION

This contract provides community outreach and services to youth who are involved with or are at risk of becoming involved with gangs. This reduction eliminates the service.

Loss of this contract will impact the Court's prevention initiatives. Loss of contract will result in reduction of services to gang involved youth and to the prevention of gang activity. The Court did secure federal grant funds through the Northern Virginia Gang Task Force, earmark funds, for two counselors, which will reduce the impact of the loss of this program.

Department of Information Technology

70-03 Application Development and Support \$100,000

DESCRIPTION OF REDUCTION

Reduces by 33 percent the support for needed application changes and enhancements needed for business systems supporting Department of Public Works and Environmental Services (DPWES) and Department of Planning and Zoning (DPZ), and reduces capacity to maintain and enhance Land Development, Inspections (FIDO), and Code Enforcement initiatives, including Strike Team.

70-03 Application Development and Support \$100,000

DESCRIPTION OF REDUCTION

Reduces by approximately 60 percent the support for needed application changes to the growing portfolio of systems supporting Public Safety agencies.

70-03 Application Development and Support \$100,000

DESCRIPTION OF REDUCTION

Reduces by approximately 70 percent the support for needed application changes to the systems supporting tax collections applications, primarily the highly customized personal property system.

70-06 Enterprise Technology Infrastructure \$250,000

DESCRIPTION OF REDUCTION

Reduces by approximately 45 percent the support needed to manage and maintain over 700 servers and storage systems which have grown one thousand percent since 2001.

70-02 Geographical Information Systems \$125,000

DESCRIPTION OF REDUCTION

This reduction reduces contract support in Geographical Information Systems (GIS).

70-01 e-Government and Advanced Technology \$75,000

DESCRIPTION OF REDUCTION

Reduces by approximately 45 percent the support for maintaining the County's website and e-Government capabilities supporting government efficiencies.

70-06 Enterprise Technology Infrastructure \$90,900

DESCRIPTION OF REDUCTION

This reduction will eliminate staff augmentation supporting more than 50 Oracle and 150 SQL server production databases, and mainframe based IDMS and DB2 databases.

70-03 Information Security \$ 195,000 (\$100,000 contracted)

DESCRIPTION OF REDUCTION

This reduction will eliminate the audit and compliance software used by Information Security or the Information Security Officer to independently conduct audits. In addition, there will be a reduction of contract support including a senior-level contract security engineer that is heavily involved in IT Security. This contractor handles high-level projects such as I-Net and provides direct support for the state-of-the-art Fairfax County Government defense in depth network.