

ATTACHMENT IV:

**EXPLANATION OF
GENERAL FUND UNENCUMBERED**

GENERAL FUND UNENCUMBERED CARRYOVER

Attachment IV

A total of \$14.02 million for General Fund unencumbered items is required as part of the *FY 2018 Carryover Review*. These items have been carefully reviewed to ensure that they have been previously approved and are mission-essential and cannot be absorbed within the FY 2019 funding level. Details are included in the write-ups, which follow:

Multiple Agencies **\$925,995**

Funding of \$925,995 reflects the savings generated by agencies as the result of careful management of their expenditures during FY 2018 as part of the Incentive Reinvestment Initiative approved by the Board of Supervisors on December 3, 2013, to encourage staff to identify additional savings and efficiencies by allowing County departments to retain a portion of the savings generated to reinvest in employee training, conferences and other employee development and succession planning opportunities. In order to accommodate these savings, which were generated late in the fiscal year, any balance remaining at year-end is being treated as unencumbered carryover in FY 2019. The savings generated as a result of the initiative have already been reflected in the *FY 2018 Third Quarter Review*.

Agency 06, Finance Department **\$70,440**

Funding of \$50,440 is required for the Finance Department to support hardware and training costs needed to meet compliance with Payment Card Industry (PCI) Standards. The Payment Card Industry Data Security Standard is a set of security standards designed to ensure that all companies that accept, process, store, or transmit credit card information maintain a secure environment. The funding will cover expenses associated with a mandatory PCI training program for all County staff that handle credit card transactions and for hardware needs such as new point of sale terminals, cross-cut shredders and other hardware related costs. In addition, funding of \$20,000 is required for implementation of the new vendor invoice management system. Recent changes in the County's document retention system require an upgrade to Accounts Payable's invoice management workflow. The funds will be used for scanners that comply with the new vendor invoice management system's optical recognition standards and a staff training program for users.

Agency 13, Office of Public Affairs **\$150,000**

Funding of \$150,000 is required for gang prevention awareness and education efforts. This initiative was funded as part of the *FY 2018 Third Quarter Review*, but due to delays in reviewing the marketing and communications services contracts for County-approved vendors, the Office of Public Affairs was not able to encumber the funding before year end. The full amount is necessary in FY 2019 as OPA must work with vendors in order to meet the needs of this initiative as directed by the Board of Supervisors.

Agency 39, Office of Human Rights and Equity Programs **\$50,000**

Funding of \$50,000 is required to support the Internet Quorum (IQ) Database Replacement project which is the case management system used to receive and track complaints filed by any person who believes he/she has been discriminated against. This funding cannot be absorbed as part of the FY 2019 budget.

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Agency 52, Fairfax County Public Library

\$400,000

Funding of \$400,000 is required to fund the replacement of the library's integrated library system (ILS) which is the customer and inventory database management system. The Request for Proposal (RFP) is currently in its final stage of negotiations, and a decision will be made in FY 2019. The Library previously anticipated that a contract would have been issued in FY 2018, from which the Library managed the FY 2017 budget closely to reserve funding to acquire this critical system in FY 2018. Due to ongoing technology initiatives and customer service enhancements, the Library would not be able to absorb this one-time cost in FY 2019.

Agency 81, Juvenile and Domestic Relations Court

\$976,000

Funding of \$976,000 is required in unencumbered carryover in Agency 81, Juvenile and Domestic Relations Court (JDRDC). Of this amount, \$150,000 supports relocating the Boys Probation House so that this vacated space can be utilized by other Health and Human Service agencies and to prepare the facility for immediate use once it is open. This includes meeting the facility's security needs, providing beds and dining equipment, installing a commercial kitchen, and providing furniture, as well as completing furnishings and office equipment for the facility. In addition, \$350,000 is required to support costs associated with services for gang prevention services. The remaining \$476,000 is required to partially fund the Juvenile Detention Center security system replacement project. In FY 2016, JDRDC began the process of identifying requirements to replace the security system in response to aging technology systems. A consultant study completed in FY 2017 identified the cost to replace the security system at approximately \$2.5 million.

Agency 87, Unclassified Administrative Expenses

\$8,776,739

Funding of \$8,776,739 is required in unencumbered carryover in Agency 87, Unclassified Administrative Expenses. Of this amount, \$5,000,000 is associated with the Economic Development Support Project Reserve approved by the Board of Supervisors as part of the *FY 2016 Carryover Review* to accelerate the opportunity that the Economic Opportunity Reserve will ultimately provide, \$3,598,364 is associated with the Reserve for Ad-Hoc Police Practices Review Commission Recommendations approved by the Board of Supervisors as part of the FY 2017 Adopted Budget Plan to address the commission's recommendations at a future quarterly review, and \$178,375 is associated with the Gang Prevention Reserve approved by the Board of Supervisors as part of the *FY 2017 Carryover Review* to provide better education, prevention, enforcement, and coordination in responding to gangs.

Agency 89, Employee Benefits

\$1,500,000

Funding of \$1,500,000 is required in unencumbered carryover in Agency 89, Employee Benefits, to fund a one-time increase in employer contributions to the retirement systems for the increased liability due to eliminating the 5 percent Social Security offset for service-connected disability retirees. This is the final year of a Board-directed 3-year plan to enhance benefits for service connected disability retirees by eliminating the Social Security offset in the Employees' and Uniformed Retirement systems. The plan was included in the FY 2019 Adopted Budget Plan and amendments to the Fairfax County Code enacting the change were approved by the Board of Supervisors on July 10, 2018. This change increases the liability of the Employees' and Uniformed Retirement Systems by a total of \$1,500,000 due to applying the new benefit provisions to past years of service. The retirement funding policy adopted by the Board of Supervisors requires that this increase in liability be fully funded with a one-time employer contribution to avoid the creation of any unfunded liability. Total funding of \$1,500,000 was approved by the Board of Supervisors as part of the *FY 2018 Third Quarter Review* to prefund this one-time FY 2019 requirement.

FY 2018 Carryover Review

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Agency 91, Office of the Sheriff

\$1,056,000

Funding of \$1,056,000 is required in unencumbered carryover in Agency 91, Office of the Sheriff. Of this amount, \$706,000 is needed for upgrading courthouse technology including cameras and cabling systems, as well as installing IT infrastructure to resolve the issue of system overheating. The remaining \$350,000 is for upgrades to the Jail Management System (JMS) which houses the data and merges all the relevant systems needed to coordinate the events that happen in the jail for over 1,000 inmates daily. Some of the functions coordinated and controlled through the JMS include court appearances for inmates, release dates and times, scheduling inmate prep time for court appearances, scheduling visiting for personal and professional jail visits for inmates, and maintaining records to make it possible to evaluate inmate rooming and classification. The current JMS is beyond life expectancy and will no longer be able to be supported in the near future. This funding will be utilized to analyze and define the system needs and complete a preliminary design that will bring the evaluation to a point that implementation can begin before the system fails.

Agency 92, Fire and Rescue Department

\$115,921

Funding of \$115,921 is required to support costs associated with training and development requirements resulting from the findings in the department's Cultural Organizational Assessment Report. As part of the *FY 2017 Third Quarter Review*, the Board of Supervisors approved funding of \$300,000 to provide training and development opportunities in areas such as harassment/bullying, avoiding discrimination, and promoting the health, safety and wellbeing of all employees. The remaining balance of \$115,921 is needed to support the continued training and development efforts that will extend into FY 2019.