

1

2

3

4

5

STATE OF FLORIDA

6

COUNCIL ON EFFICIENT GOVERNMENT

7

8

MEETING

9

10

August 14, 2008

11

10:00 a.m.

12

13

Cabinet Meeting Room

14

The Capitol

15

Tallahassee, Florida

16

17

18

19

20                   Reported by:

21                   Ray D. Convery, Court Reporter  
22                   For the Record Reporting, Inc.  
23                   1500 Mahan Drive - Suite 140  
24                   Tallahassee, Florida, 32308

23

24

25

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1           P R E S E N T

2           THE COUNCIL

3           LINDA H. SOUTH  
Secretary, Department of Management Services (Chair)

4           DONNA O'NEAL  
5       Deputy, for Chief Financial Officer Sink

6           LISA ECHEVERRI  
Executive Director, Department of Revenue

7           STEVEN EVANS  
8       Chief Operating Officer, Florida Tax Watch

9       AKHIL AGRAWAL (Appeared via telephone)  
President, American Medical Depot

10       TIMOTHY YANDELL (Appeared via telephone)  
11       President, inetUSA

12           \* \* \*

13           STAFF

14       HENRY GARRIGO, Executive Director

15       SUZANNE KEELE, Executive Administrator

16       EVELYN GONZALEZ, Senior Management Analyst

17       NOAH McKINNON, Senior Management Analyst

18

19

20

21

22

23

24

25

**FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491**

1 PROCEEDINGS

2 CHAIRMAN SOUTH: I'm Linda South. I'm Chairman  
3 of the Council on Efficient Government, and we'll go  
4 ahead and make the roll call then, so we'll pull the  
5 roll call, please.

6 MS. KEELE: Thank you. Chairman South.

7 CHAIRMAN SOUTH: Here.

8 MS. KEELE: Deputy Donna O'Neal for Council  
9 Member CFO Sink.

10 MS. O'NEAL: Here.

11 MS. KEELE: Director and Council Member  
12 Echeverri.

13 MS. ECHEVERRI: Yes.

14 MS. KEELE: Council Member Evans.

15 MR. EVANS: Here.

16 MS. KEELE: Counsel Member Yandell.

17 MR. YANDELL: Here.

18 MS. KEELE: We have a quorum.

19 CHAIRMAN SOUTH: Okay. Having a quorum, we'll

20 proceed to the agenda.

21 MR. GARRIGO: If I might, just a couple of

22 housekeeping matters, Chairman.

23 CHAIRMAN SOUTH: Yes, sir.

24 MR. GARRIGO: Please do, on the dais, if you

25 would, remember to hit your speaker button before you

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 speak. We were enabled for teleconferencing today.

2 We have Tim Yandell, our Council Member down in

3 central Florida, and we are expecting Akhil Agrawal

4 also calling in from south Florida. The acoustics in

5 this room are not perfect, so if you would speak

6 clearly and slowly into the microphones and make sure

7 they're turned on so that the folks on the

8 teleconferencing can hear us and participate, I'd

9 appreciate that.

10 Obviously, in the audience, if you have any cell

11 phones or electronic devices, please mute them.

12 CHAIRMAN SOUTH: All right. I believe I heard

13 someone join us by phone.

14 MR. AGRAWAL: Good morning, Chairman. I

15 appreciate --

16 CHAIRMAN SOUTH: Well, we're glad that you found

17 time to call in. We appreciate that you're taking

18 time out of your busy schedule to do that, and

19 actually, given the nature of this particular

20 meeting, it's really very cost-efficient to have the  
21 two of you use the telephone as opposed to the air  
22 traffic. So we actually think that's a good idea.  
23 Okay. We're at the point of the agenda, we're  
24 going to call for approval of the minutes. The  
25 minutes are in your notebooks on Tab 1.

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 MR. EVANS: So moved.

2 CHAIRMAN SOUTH: Is there a second?

3 MS. ECHEVERRI: Second.

4 CHAIRMAN SOUTH: Show they'll be accepted and  
5 filed.

6 Okay. At this point is there anyone that would  
7 like to address the Council for public comments?

8 Hearing none, we'll move on.

9 Item No. 4, under Administrative, at this point  
10 I'd like for Henry -- we have some new staff. Y'all  
11 may remember that there in last year's session we had  
12 some folks that were concerned about their positions  
13 and decided to find something a little more stable.  
14 So that happens in times of budget cuts and budget  
15 uncertainties, so at this point, Henry, we've got --  
16 we've had some really great people --

17 MR. GARRIGO: Yes, we have, and actually I'd  
18 like to introduce them if I could.

19 Evelyn Gonzalez, if you would just please take a

20 moment to stand. Evelyn is our Senior Management  
21 Analyst, joined the team back in April. Evelyn comes  
22 to us from both the public and private sector. She  
23 spent most recently some time in the private sector  
24 with ISOCORP and previous to that with  
25 Northrop-Grumman, and she also spent time with us in

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 the public sector here in the Legislature as well as  
2 with FSU. She is an M.B.A. She also is a PMP,  
3 project management professional, and is currently  
4 serving as Vice-president of the PMI Tallahassee  
5 Chapter.

6 CHAIRMAN SOUTH: Excellent, welcome.

7 MR. GARRIGO: I would also like to introduce  
8 Suzanne Keele, if you would take a moment, thank you.  
9 Suzanne is our Executive Administrator and all-around  
10 keep-us-working-and-happy kind of person. She comes  
11 to us from DBPR after ten years serving there.  
12 Previous to that she served with the Florida  
13 Institute of CPAs here for 15 years, and she is a  
14 very, very welcome asset to the team as well.

15 I also have -- I would like to introduce Carolyn  
16 Mooney. She's not with us today because she's  
17 travelling to visit her family in Japan, but she is  
18 our intern, recently joined us here for the summer  
19 term. She is a graduate student at FSU in the MPA

20 program at the Askew School. She also served  
21 previously as an intern at Florida Tax Watch, and she  
22 is helping us with our analytics, some research and  
23 some event planning. So I'd like to welcome her to  
24 the team as well in absentia.

25 CHAIRMAN SOUTH: Good. Well, Henry a lot of

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 your work is being done using the Askew School and  
2 the internships that are working there, so we have  
3 some folks we'd like to acknowledge as they make  
4 contributions to our work. Would you like to do  
5 that?

6 MR. GARRIGO: Yes, please. We have two  
7 individuals here, Dr. Fran Berry. She is the  
8 Director of the Askew School of Public Administration  
9 and Policy. She is also the Frank Sherwood Professor  
10 of Public Administration, Dr. Berry. And also  
11 Dr. Neil Crispo. He is the Courtesy Professor and  
12 the Intern Coordinator also at the Askew School, Dr.  
13 Crispo. They have both helped us along with  
14 Mr. Evans and Florida Tax Watch in coordinating some  
15 interactions between the universities and our  
16 organization, and we're hoping to formalize that into  
17 an internship pilot we're going to roll out inside of  
18 DMS and potentially be able to expand that  
19 cross-organization. We've had great value as far as

20 staff augmentation. Obviously, in these tight budget  
21 times, I think there's huge value in getting that  
22 relationship between the public and the private and  
23 the universities all tied together and working, and  
24 that's our goal. So I'd like to recognize them for  
25 helping to contribute to that pilot program.

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1           CHAIRMAN SOUTH: Thank you very much. I will  
2           say that I'm delighted to have this interaction  
3           whether we're in tight budget times or not. The role  
4           of internships in feeding the pipeline with qualified  
5           people to come to government, make good policy  
6           decisions, participate in the public process is just  
7           invaluable. Steve, thank you very much for -- you  
8           were instrumental in helping us make that connection,  
9           and not only is it helping the Council on Efficient  
10          Government, but it's also helping us within the  
11          Department of Management Services. We have really  
12          cool projects to do. So people who are in public  
13          administration are well-served when they come to do  
14          internships with us. So thank you very much for  
15          that.

16          All right. Moving on to the meeting schedule,  
17          you know our practice has been to ask you to reserve  
18          meeting schedules on the calendars, that we have  
19          demonstrated we're not going to pull y'all together

20 just for the purpose of meeting, you know, but we  
21 want you to have the dates on your calendar because  
22 our process requires that, if we have a case study,  
23 it has to be done in a timely manner, and if there is  
24 something that the Council needs to act on, we want  
25 to have reserved spots on the calendar. So this is

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 the calendar. Is there anything concerns or any  
2 comments about that?

3 MR. GARRIGO: I'd like to just point out the two  
4 remaining scheduled meetings for this year are  
5 September 25th and November 13th. We do have some  
6 potential business cases coming down that we are in  
7 the process of evaluating right now. I'll speak to  
8 them a little bit further in the meeting. So we may  
9 either have to have either one of those two meetings  
10 or potentially do a teleconference to meet our  
11 service local agreement and the statutory  
12 requirements as far as our review. So keep that on  
13 your radar if you will.

14 And then, going forward, we have a proposed  
15 schedule. Administration will be in touch with your  
16 offices to solidify those dates, and, again, as the  
17 Chairman said, we'd like you to get those on your  
18 calendar and keep them on there as a standing  
19 meeting, and we will advise you, obviously, if we

20 will be meeting or not.

21 CHAIRMAN SOUTH: Steve.

22 MR. EVANS: Madam Secretary, if I could, if I

23 could just back up for one second, I want to say just

24 one thing on behalf of what you just mentioned. Dr.

25 Berry, Dr. Crispo, I too want to step in and just

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 thank you sincerely for the speed and the diligence  
2 that you've stepped in to really help out and  
3 participate in this project. This is tremendous, and  
4 the Askew School really set of model of cooperation  
5 in doing this. So thank you very much.

6 DR. CRISPO: I don't meant to intrude on you,  
7 but internship has always been important to me. The  
8 first internship I had was working for a gentleman by  
9 the name of Lewis Killian at FSU, and the study that  
10 I worked on had some profound impact. It was used to  
11 justify the amicus curiae provided by the State of  
12 Florida to the Supreme Court in Brown vs. The Board  
13 of Education of Topeka, Kansas, and the Supreme Court  
14 cited the Florida amicus as being the only one that  
15 answered a sociological issue with sociological fact.  
16 So internships can be very gratifying experiences and  
17 can live with you the rest of your life. I am in my  
18 70s, and that will give you an idea how long that  
19 lived with me. Thank you very much.

20 CHAIRMAN SOUTH: Thank for your comment. I'm  
21 delighted with that story. Students are so close to  
22 the brilliant professors, and when we leave school,  
23 we get further away from that and we don't have  
24 access or the pipeline to the current thinking and  
25 current theory. So interns are just a vital part of

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 the pipeline of knowledge that comes to us as we do  
2 our work. So that is a fabulous story, and we  
3 need --

4 DR. CRISPO: I have to tell you, one of my jobs  
5 was to maintain the anonymity of the political  
6 figures that were responding to the survey. So I had  
7 to go through and expunge all the self-identification  
8 as unobtrusively --

9 CHAIRMAN SOUTH: That's not a part of open  
10 government, is what you're saying?

11 Thank you very much for your comments.

12 MR. GARRIGO: Thank you, Dr. Crispo.

13 CHAIRMAN SOUTH: All right. Henry, can you talk  
14 to us now about our current inventory of  
15 case training, the business case training that you --

16 MR. GARRIGO: Yeah, definitely. I wanted to do  
17 a quick update. We spoke at our last meeting about  
18 one of the initiatives we were trying to roll out at  
19 the Council. The staff wanted to go out and,

20 obviously, begin the process of engaging with  
21 agencies and letting them know what, obviously, the  
22 requirements are, but also about some of the good  
23 business practices and best practices that we hope to  
24 get included. So I just wanted to give you a  
25 followup on where we stand with that.

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1        Again, our goal is to drive the CEG mission,  
2        which is the best practices and business processes as  
3        well as the review of business cases. We've taken a  
4        strategy where we're going to -- we have created  
5        specific content that is targeted at certain  
6        audiences, and particularly we're looking at three  
7        audiences right now that are called out in the slide  
8        here. One is the content that's focused around what  
9        is CEG and what are the Florida Statutes, what are  
10       the requirements and services that we offer, and this  
11       content is directed towards executives within state  
12       government. To date we have approximately -- have  
13       had ten meetings with directors, executive directors,  
14       deputy directors and deputy secretaries at agencies,  
15       engaging with them and informing them on the mission  
16       of the CEG and how we can help their organizations  
17       with very good response.

18       We've also created some content around the  
19       business case development and review processes and

20 the tools that we have available, and we've gone out  
21 and engaged at staff level within agencies  
22 approximately 120 individuals in different agencies  
23 to educate them on that process.

24 And then we've also had the charter to execute  
25 project management professional and Florida

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 contract -- certified contract negotiator training,  
2 and we've been able to execute that over the life of  
3 the program. So going on about 18 years -- 18 months  
4 now, excuse me, we have -- I believe my numbers are  
5 138 project management professionals within the state  
6 right now and 158 Florida certified contract  
7 negotiators. These individuals are required by  
8 statute to be on specific negotiating teams. So  
9 we've been able to work with DMS State Purchasing to  
10 execute this program, and that's been relatively  
11 successful as well. So that's kind of our  
12 three-pronged approach on training right now. I just  
13 wanted to give you an update.

14 CHAIRMAN SOUTH: Let me ask you if you've  
15 noticed any impact to your agency in your  
16 procurements or contract negotiations as a result of  
17 having these professional certifications on their  
18 negotiation teams?

19 MS. O'NEAL: Well, I've only been with the

20 Agency since February, so I don't have a lot of

21 back --

22 CHAIRMAN SOUTH: A baseline.

23 MS. O'NEAL: I don't have a baseline, but I

24 do -- I have been involved and I've worked with

25 several people on the staff who have gotten the

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 certification, and just seeing, you know, the way  
2 that they approach the contracts process has been a  
3 lot better.

4 CHAIRMAN SOUTH: Okay.

5 MS. ECHEVERRI: And I would echo that. I think  
6 that the process has improved dramatically in the  
7 type of information that's developed, the consistency  
8 of the information as a result of, you know, the  
9 certification and the process in general --

10 CHAIRMAN SOUTH: Good.

11 MS. ECHEVERRI: -- from where it was, you know,  
12 ten years ago.

13 CHAIRMAN SOUTH: Well, I'm happy to see forward  
14 progress. I don't think we'll ever be completely  
15 done with this journey. I think that the discipline  
16 of thinking that goes along with these certifications  
17 is helpful in framing how folks approach this. So,  
18 Henry, you know, I realize that that's not -- it's  
19 not easy to see the visibility of how you all are

20 spending your time, but I think that the things that  
21 you just talked about are vitally important about  
22 moving the state of Florida forward.

23 MR. GARRIGO: Thank you. And along that same  
24 line, these engagements at multiple levels are  
25 beginning to yield results. We are engaging with

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 more agencies at multiple levels and are getting a  
2 lot more back-and-forth call for specific engagements  
3 on certain projects and really collaborating with  
4 agencies on business case development process. So  
5 we're feeling it as well.

6 MS. O'NEAL: If I could say, we do have a  
7 project management office, and I know that you do,  
8 too. We've got about a dozen staff people who work  
9 primarily --

10 CHAIRMAN SOUTH: You wish.

11 MS. O'NEAL: Maybe I shouldn't have said that --  
12 who work primarily on IT projects, but have begun  
13 branching out into other projects. They work with a  
14 team that did a business case on the consolidation of  
15 our call center and the efficiencies derived with  
16 that. So Gerry Harrison is the leader who heads up  
17 that office, and I can say it's been very helpful.  
18 We hope to expand their efforts to other teams, so I  
19 can vouch that that's a really good program.

20 CHAIRMAN SOUTH: It's a comfort to know we're

21 moving in the right direction there. Thank you.

22 All right. Information is power. In this

23 digital age, we get information out via the web. The

24 analysis of our web hits and who's watching what is a

25 good view into what we're doing. So, Henry, if

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 you'll report on the web --

2 MR. GARRIGO: Yeah, with just some simple  
3 indicators here, our web site traffic, we have two  
4 graphs here. One is since our last meeting and one  
5 is from the full year of operations since last July  
6 1st. It's pretty consistent. We're having about  
7 1,000 hits per month. Obviously, there are some  
8 spikes around our meetings, publication of the  
9 agendas, minutes and eventually the reports, and  
10 obviously the publication of the reports, so some  
11 spikes around there, but generally it's pretty  
12 consistent.

13 We've done a drill-down on where the hits are  
14 coming from, and as mentioned in a previous meeting  
15 to some of you, the Council members are still the  
16 most popular site on our web page. We have done some  
17 analysis to try to figure out why you're so popular  
18 as opposed to our very valuable tools that we have  
19 available, which are number two. And actually we

20 found that, through a -- if you do a standard web  
21 search through Google or one of the other search  
22 engines for the public members of our Council, you'll  
23 find that those names generally pop up in the first  
24 three or four with a reference to the Council. So  
25 we've had some people looking for our esteemed

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 Council members hitting our site, and we're getting a  
2 little bit of traffic there, and they've been able to  
3 then go forth to meet -- to find the individuals  
4 they're looking for, or we've been the conduit back  
5 to the agencies. We've filtered back some specific  
6 requests to DFS and DOR and DBPR when Secretary  
7 Benson was on board as well, but -- so you guys are  
8 still very popular. I'm sure you'll be happy about  
9 that, but our tools are also the second most popular  
10 site, which is what is important to us as we engage  
11 through these trainings and through our publications,  
12 obviously agencies are finding that we are available  
13 and we have good tools and resources available and  
14 are coming to our web site to pick those up and use  
15 them. So that's -- I'm glad to see that that is a  
16 very well-attended site as well.

17 And then, of course, our reports that we've  
18 generated last year, our annual report as well as the  
19 special report we did to the Governor on the three

20 large projects in state government, and then a  
21 followup report. So this year's annual report we  
22 expect to be very well-visited as well.

23 CHAIRMAN SOUTH: Good. All right. Any  
24 questions about the web activity or any suggestions  
25 from the Council members?

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 MR. EVANS: No, other than the fact that I have  
2 noticed over the last couple of meeting and reports,  
3 Henry, that the Council member number is going down,  
4 the resources are going up, so that's good.

5 CHAIRMAN SOUTH: That's a good direction. We  
6 like that inverse relationship.

7 MR. GARRIGO: Good. Yes.

8 CHAIRMAN SOUTH: At our meeting January 17th, we  
9 had several staff action items that you'll find in  
10 your notebooks at Tab 6, and, Henry, if you'll just  
11 go through those, please?

12 MR. GARRIGO: Yeah, and without going into too  
13 much detail, all items are accounted for and are  
14 either completed, have been transferred to somebody  
15 else for completion that we are tracking, or are  
16 ongoing. So, in specific, we had some tools that we  
17 wanted to make sure were available, and we've posted  
18 those and incorporated them into our development  
19 practices.

20           We had several items related to the special  
21           report that were incorporated and published into the  
22           final report, and then we have a couple of things  
23           ongoing with OPB that we will continue to follow up  
24           on. So progress is good on the action items, and  
25           obviously we'll work towards this session's

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 meeting -- this session's items at the next meeting.

2 CHAIRMAN SOUTH: I would note in the staff  
3 activities is the -- we had concerns about the lack  
4 of completion rate under our PMP training. We have  
5 actually trained through that entire process two  
6 Divisions of Purchasing. Last year when we received  
7 our -- we were in our budget process, they pushed the  
8 Council on Efficient Government under the Purchasing  
9 Division and actually, because they do so much of  
10 that training, it made sense to consolidate that with  
11 the Division of State Purchasing. It's their  
12 responsibility now rather than the CEG's.

13 MR. GARRIGO: Yes, thank you for pointing that  
14 out.

15 CHAIRMAN SOUTH: -- staff to work on the problem  
16 case studies.

17 MR. GARRIGO: And I'll go over that a little bit  
18 in the budget section, so that will be -- provide  
19 some extra clarity on exactly what happened there.

20 CHAIRMAN SOUTH: Okay. Any questions or  
21 comments about the action items?  
22 Okay. All right. Moving on -- gosh, we're  
23 going right through this. I appreciate that. We'll  
24 go down to new business which, under Tab 7, is our  
25 budget, and so, Henry, if you'd like to report on

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 that, please.

2 MR. GARRIGO: Yes, I would. Last year was -- I  
3 don't know what the right word is -- probably a  
4 little bit chaotic.

5 CHAIRMAN SOUTH: Interesting.

6 MR. GARRIGO: Interesting, thank you, as far as  
7 budgeting goes. A couple of special sessions.  
8 Obviously, we were still in our startup phase. We  
9 had some personnel changes all simultaneously, so  
10 it's very challenging for us as well. I want to take  
11 a moment to remind you what the impact to the last  
12 year's budget was, which is actually our starting  
13 point for this year. So, if you look at the  
14 information in front of you, last year's budget, the  
15 total budget, which included our operation -- our  
16 current operations and staff, some future operations  
17 that were approved by the Legislature and the project  
18 management professional training that was part of our  
19 budget, we did have -- started off in the year with

20 \$1.7 million.

21 Through the Special Session, the largest change

22 to our budget was the Legislature took back

23 essentially all the open FTE slots that were

24 available. So we did have five individuals that were

25 approve and budgeted, but through the legislative

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 budget process, they took those back. So that impact  
2 is quite significant, \$625,000, and, obviously, it  
3 puts us in our resource situation for today. That  
4 was really the biggest impact.

5 We did have a vacancy in our current staff at  
6 the time as well, and through that sweep, they also  
7 picked that one up. So we lost an extra FTE in that  
8 transition, as well as, obviously, the budget that  
9 goes along with that.

10 So, from an initial ten members approved for our  
11 staff, we are now down to the existing four, and we  
12 are working, obviously, with that. And that is how  
13 we finished last year, and the information specifics  
14 are here.

15 So that sets up where we are coming forward. So  
16 I did want to move on to the next slide and I did  
17 want to let you know when we go forward. So  
18 thankfully the next special session and the budgetary  
19 process that the Legislature just finished, they left

20 us relatively untouched as far as our core funding,  
21 which was our four existing FTEs, the rate, and some  
22 operational expenses that go along with that.

23 We did still have the \$500,000 in our project  
24 management professional training budget. They did  
25 decide to cut that down by \$250,000. We have --

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 because of the overhead and resources that's required  
2 to operate that, there are trainings going on all  
3 year long. As I mentioned, we've run 150-some-odd  
4 individuals through the PMP training and probably  
5 twice that through FCCN. With our limited staff, we  
6 essentially had to outsource some of these activities  
7 to State Purchasing to operate because they are  
8 already in the process of managing some of these  
9 state term contracts as related to training, and they  
10 were coordinating these training sessions for us. So  
11 we've transferred the rest of that operational  
12 activity, including the budget, over to them, and  
13 they will be managing that going forward. So I'll  
14 not be reporting that particular line item going  
15 forward in the budget.

16 So, net-net is our actual operating budget going  
17 forward, which includes staff-related expenses, is  
18 441,600 and -- \$441,181. So that's essentially what  
19 it costs to run our organization.

20           We're going to talk a little bit about our  
21           annual report and the business cases that we're  
22           currently -- have worked on and are working on going  
23           forward. I would just like to point out that that  
24           \$441,000 investment that you're making in the  
25           Council, or the Legislature and the State is making

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 in the Council is yielding a pretty significant  
2 return on the investment when we look at some of the  
3 numbers. So keep that 441 in mind when we start  
4 talking about the millions that were impacted.

5 Any questions?

6 MS. ECHEVERRI: On the budget, the project  
7 management professional training, how close to the  
8 budgeted amount was the actual expenditure? You  
9 know, is 250,000 a significant impact, or was there  
10 resources left over --

11 MR. GARRIGO: Yeah, we essentially spent half of  
12 the \$500,000 last year, the reason being, early on  
13 last year's fiscal budget, if you recall, right  
14 around I think it was as early as August, September,  
15 we were directed to freeze as much discretionary  
16 spending as possible. We had to cancel some of the  
17 sessions that we were running. So we lost five or  
18 six months' worth of sessions, which is essentially  
19 half the year's worth of sessions, half the budget.

20 So that amount did not get spent. When the  
21 Legislature gave us the green light again, it was  
22 obviously too late to recover all those training  
23 sessions. So this would not probably be enough to  
24 run a full year's worth of PMP and FCCN training.

25 MR. EVANS: Henry, as I understand, this PMC and

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 negotiator training that we've been doing is  
2 absolutely critical to being able to effectively put  
3 a team on the field and ensure the accountability and  
4 the performance of these contracts as we move  
5 forward. You guys have done a terrific job; and as I  
6 understand it, we're not cutting back, we're just  
7 moving mission; is that correct?

8 MR. GARRIGO: Well, I'd take it a step further.  
9 It's incredibly valuable to have these individuals on  
10 these negotiating teams, so much so that it is  
11 actually in statute. There's a statute that requires  
12 that certain procurements of a particular size have  
13 either a project management professional or a  
14 certified contract negotiator or both on staff. So  
15 there is a statutory requirement to have these  
16 individuals there regardless of the actual value.

17 Going forward, I think we will want to continue  
18 to push this. As you stated, at DFS, it's been of  
19 value. I think other agencies that have these

20 individuals on staff will see the value of that, and  
21 it's definitely something we need to continue to do.  
22 We have just shifted operational control and  
23 budgetary control over to State Purchasing, but we  
24 will continue to advocate for the value of PMP and  
25 FCCNs as well as whatever the statutory requirement

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 is.

2 MR. EVANS: Thank you.

3 CHAIRMAN SOUTH: Any other questions?

4 Okay. Do we need an action item on this

5 budget --

6 MR. GARRIGO: Pardon?

7 CHAIRMAN SOUTH: Do we need an action on this

8 budget --

9 MR. GARRIGO: No. It is -- our budget was

10 transferred -- I neglected to say in the recap, we

11 were transferred from general revenue through the

12 Special Session last year to a trust fund that feeds

13 from the one-percent fees that are accumulated

14 through MyFlorida Marketplace. So we are in

15 Purchasing Oversight's trust fund budget. We are not

16 a specific line item in the budget, but the DMS where

17 we are administratively housed is managing that for

18 us and keeping us fully funded.

19 CHAIRMAN SOUTH: In this environment where every

20 dollar of general revenue is precious beyond words,

21 this is a much more secure place for the Council

22 budget to be living.

23 MR. GARRIGO: Yeah, absolutely.

24 CHAIRMAN SOUTH: Moving on to the meat of our

25 meeting. We're half way through on our timeline, so

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 the timing is excellent, and we're required to submit  
2 a report to the Legislature annually and to the  
3 Governor's Office and, Henry, if you would please  
4 take us -- and it is prescriptive about what's  
5 contained in that report, so if you would please take  
6 us through this --

7 MR. GARRIGO: Yes, thank you. Staff has been  
8 working quite a long time in developing the annual  
9 report. We do have a final draft that we sent out  
10 with the meeting notes. So hopefully we've all had  
11 an opportunity to review that.

12 Just as a recap, what the annual report is and  
13 the goals of the annual report, it is required by  
14 statute that the Council on Efficient Government  
15 submit annually a report to the Governor and the  
16 Legislature. Two things that are required in that  
17 report are the status of outsourcing in the state  
18 agencies, so essentially where our agencies are and  
19 what they're doing with outsourcing, and then to

20 discuss some innovative trends in the delivery of  
21 state services. So we do some research on things,  
22 megatrends that are happening at the state and  
23 federal level that we think would be valuable for the  
24 State, and then, obviously, we take that (inaudible)  
25 at the agencies and see if somebody can pick that up.

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1       The report was written this year to align with  
2       our goals in the CEG, which are to advocate for the  
3       value of innovation, so going down that path of  
4       innovative trends and sound business practices in  
5       state operations. It's very important for us to make  
6       sure that people are doing the right analysis and  
7       critical thinking.

8       We also wanted to make sure that we continued to  
9       educate agencies on these best practices and lessons  
10      learned from our experiences and other experience of  
11      other agencies, then, obviously, our requirements by  
12      statute to evaluate business cases for value and  
13      likelihood of success.

14      So our annual report was built around those  
15      goals to make sure that we're reporting out and  
16      keeping everybody informed on how we're making  
17      progress along that line.

18      CHAIRMAN SOUTH: Henry, what were the two MPA  
19      files that we included in the report for --

20 MR. GARRIGO: I'll talk about it a little bit --  
21 a couple of slides down, but generally we are doing a  
22 lot of research and, again, as I mentioned before,  
23 the interns that we have on the staff have been  
24 instrumental in helping us with the research.  
25 They've been able to tie that back to their academics

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 through some of the action-report requirements that  
2 they have on their curriculum. The two that we're  
3 reporting out here are actually very topical, and  
4 we're talking about green initiatives. We're also  
5 talking about trying to find efficiencies and saving  
6 money in state government by encouraging and  
7 rewarding state employees through innovation and  
8 trying to create better ways of delivering services  
9 and saving money at the same time. So we'll talk a  
10 little bit about those specifically going forward.

11 We have another slate of research topics that  
12 we're continually working on. We've actually had a  
13 call to members of the Council as well to see if they  
14 have any ideas they want us to pursue, and we're open  
15 to that, as well as to the public, of course.

16 MR. EVANS: Henry, if I could, in reading  
17 this -- and you did a great job on this report. It  
18 was terrific, and I'll give you these notes  
19 afterwards, but one of the things that really

20 draws -- is drawn out in this report is the need for  
21 due diligence and real accountability in the  
22 pre-procurement process, and when we're realizing  
23 here that only 13 percent -- or, excuse me,  
24 91 percent of the projects have no cost-benefit  
25 analysis, while you've made great progress, it really

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 identifies the hole that needs to be filled. Are we  
2 going to call that one of the key goals and  
3 objectives to try and impact positive leadership --

4 MR. GARRIGO: Yeah, so this is the --

5 MR. EVANS: (Inaudible).

6 MR. GARRIGO: I apologize.

7 This is the second year that we do the survey  
8 about switching to state agencies, so now we're going  
9 to be able to use a benchmark and see some trending  
10 information. Two of the things that we'll talk about  
11 in the report or we have talked about in the report  
12 are along the lines of cost-benefit analysis and the  
13 lack of good cost-benefit analysis or any  
14 cost-benefit analysis, in most cases, being done at  
15 all; and another is performance metrics and how  
16 performance metrics are not being included in  
17 contracts at any significant level, though, as we've  
18 seen some positive change there, hopefully we can  
19 take credit for that; but yes, those are the two

20 areas that we identified as opportunities for us  
21 going forward to find some tools and educate agencies  
22 on the importance, the necessity and the tools  
23 available to try to improve the delivery of  
24 cost-benefit analysis when they're developing these  
25 projects.

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 MR. EVANS: And to give you a positive balance  
2 on that, on the other side of the fence, it is noted  
3 that 87 percent of all the projects do have  
4 performance metrics in place.

5 MR. GARRIGO: Yes.

6 MR. EVANS: So it's really the front-end ROI and  
7 cost-benefit analysis that really needs to be  
8 addressed.

9 CHAIRMAN SOUTH: Exactly, and cost-benefit  
10 analysis is an important tool, but it's just part of  
11 the larger need to do good critical thinking through  
12 a formal business case analysis looking at options,  
13 evaluating the options and the cost-benefit analysis  
14 and other financial return on analysis and -- on  
15 investment and the other financial tools available on  
16 all the alternatives to come to the conclusion of  
17 which is the best, essentially doing the thinking  
18 before you do the project; and that is a change of  
19 thought, I think, that needs to occur in state

20 government, where a lot of times there's just a

21 project idea that people decide to go with and

22 justify it after the fact making a decision, as

23 opposed to doing the front-end thinking.

24 So again at the heart of what we try to do is to

25 encourage agencies to do the critical thinking before

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 they come to the proposed solution.

2 MS. O'NEAL: I just wanted to echo Council  
3 Member Steve's comments. Those were two areas that  
4 the CFO had also flagged, and I was wondering, is it  
5 a matter of just educational awareness? Is it a  
6 timing issue? Have y'all been able to delve into  
7 that?

8 MR. GARRIGO: Well, the cases that -- the  
9 projects that we did the survey on are historical  
10 projects. So they do go back. So obviously we can't  
11 go back and impact those. We are hoping to see  
12 some -- through this trend analysis going forward,  
13 some change. We are building the tools and doing  
14 these trainings to engage people to help them realize  
15 that this needs to be done and how to do it. I think  
16 the reason they haven't been doing it are twofold:  
17 One, they don't know how, for most cases; and, two,  
18 unfortunately, they're not required to. And  
19 everybody's working as hard as they can with limited

20 resources, so there are some things that fall below

21 the line, if you will, that they just leave out.

22 The business cases for outsourcing specifically

23 that we looked at do require a cost-benefit analysis.

24 So we will be able to use that kind of as a trump

25 card and say, I realize you don't have all the

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 resources that you would like, but this is not only a  
2 good idea, it's something that is required and we  
3 will be evaluating you for content as well as value.

4 CHAIRMAN SOUTH: My sense of things -- and  
5 Henry's right again -- a lot of things we're looking  
6 at are historical in nature. My sense is that we  
7 have gone through a transformational shift in how we  
8 do the work of business and the business of  
9 government and in the past government employees and  
10 government service and government work, and there is  
11 not the business thinking about, well, is this the  
12 best way to do it, and then under the Bush  
13 administration there came a shift in thinking in that  
14 we need to invite our private-sector partners to come  
15 to the table and bring creative solutions that can  
16 bring efficiencies to this, and just like in any kind  
17 change of management, there was a huge push towards  
18 that. Now we've digested that transformational  
19 shift, and now we need to make sure we have in place

20 the tools to evaluate at any given time, are we doing  
21 the best we can with our projects? It may be that  
22 outsourcing to the private sector is appropriate. It  
23 may be that insourcing it back to the public sector  
24 is appropriate, but the point is the tools to  
25 evaluate that need to be in place, and at this

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 point -- you know, it's better late than never, and  
2 at this point we need to make sure the agencies are  
3 thinking this through from front to back, and as I  
4 see business happening, it's going to -- you know,  
5 one case is going to go outsource, one case is going  
6 to go insource, something is going to be a hybrid or  
7 a PPP, so this is a good thing, but you need to have  
8 consistent tools to evaluate, given the set of  
9 circumstances, what is in the best interest of the  
10 taxpayers of the state of Florida? And this process  
11 allows us to push that information out. So I think  
12 we've got a lot of -- I think we've got a good  
13 momentum going, and we still have lots to do.

14 MS. ECHEVERRI: And I know that the Council has  
15 limited resources and, you know, the primary focus  
16 has been on comparing outsourcing to insourcing, but,  
17 you know, we've raised several times here the -- you  
18 know, the economic conditions and sort of what  
19 government is going through, and one of the areas

20 that I see a critical need is to apply these same  
21 tools and principles to looking at -- maybe you can  
22 call it re-insourcing, sort of the reorganization of  
23 government to determine where we have duplicative  
24 business processes that might be combined, and it may  
25 not be a question between private sector or

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 government, but between, you know, government to  
2 government, and which agencies are more productive or  
3 can offer services to other agencies to reduce  
4 duplication. You know, I know you have limited  
5 resources, but that I think is going to be a big  
6 focus in the next couple of years.

7 MR. EVANS: To that point -- it's a very good  
8 point. Henry, do we have the capacity or the  
9 capability -- are we doing anything to look outside  
10 the state of Florida to understand the tremendous  
11 innovation that's going on across government, across  
12 the country in looking at key states and key agencies  
13 and understanding where there's process changes  
14 occurring?

15 MR. GARRIGO: Well, what we have been able -- as  
16 I mentioned, through this innovative trends section  
17 of our reporting and research, we are doing just  
18 that. We're trying to go out to other states and the  
19 federal government to look at what they are doing,

20 what some of the megatrends are as far as innovation

21 and efficiency and see if we can't even bring those

22 in to the state. We will continue to create white

23 papers and get those to agency heads to see if they

24 want to incorporate them.

25 To Director Echeverri's point, we are looking at

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 finding ways to create a broader marketplace of  
2 vendors, and in some cases I think those vendors may  
3 be our other agencies. I think there's economies of  
4 scale that can be improved on. There's a lot of  
5 duplication within state agencies. Every state  
6 agency has their departmental purchasing,  
7 departmental fleet management, departmental  
8 fill-in-the-blank, and I think that that's a great  
9 opportunity for us to expand the marketplace with  
10 external vendors for outsourcing, possibly bringing  
11 it in to the agencies themselves for some projects,  
12 if possible, or competitive pricing through other  
13 agencies. So, in our business case development  
14 process, we actually require that they have three  
15 solutions: One being status quo, one being an  
16 external vendor, and the third being potentially  
17 bringing it back in-house. And we are engaged in a  
18 project -- I don't want to lift the lid on it just  
19 yet -- but that we're going to bring it to the

20 Council to the end of creating that marketplace,  
21 expanding the marketplace both for internal and  
22 external competition for some of these projects.

23 CHAIRMAN SOUTH: It's very exciting to see it  
24 actually because, while the Council's mission may be  
25 narrowly defined and the resources available are

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 limited, it will catch fire, and the ripple effect  
2 throughout the agencies will make us stronger and  
3 better, and that is quite exciting.

4 Okay. Henry, do you have anything more to say  
5 on the business case, I mean, on the --

6 MR. GARRIGO: On the annual report? I just had  
7 a couple of slides on that. I don't want to get too  
8 deep into it, but we have a relatively lengthy  
9 report. After acceptance today and any final  
10 comments, we'll have it published for public  
11 consumption, but just as a recap, our survey, which  
12 is critical to the annual report, did reach out to 29  
13 agencies, and we did get information back from 18.  
14 We had 551 projects that are outsourced currently  
15 that we evaluated, a total value of over \$8 billion,  
16 the average value being about \$5 million in a variety  
17 of lengths of these contracts. There's still quite a  
18 consolidation of those reported outsources in a few  
19 organizations, a few departments, and those are

20 called out here in the plus-90 percent percentile of  
21 both number of projects and value of projects. Some  
22 agencies are exempt and others just did not report  
23 that they had any projects.

24 The two key notes that we've already discussed  
25 and I think are opportunities for us to move forward

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 are the cost-benefit analysis continue to remain flat  
2 at about nine percent. As far as being included in  
3 the actual business cases for the projects that do go  
4 to execution, we have seen a slight increase in the  
5 number of projects that have performance metrics  
6 included in them, about a five-percent increase in  
7 that to 13 percent. Hopefully we can take credit for  
8 some of that as well.

9 Of note, those contracts that -- and those  
10 projects that do have performance metrics, we have  
11 noted that the vendors that are involved in those are  
12 performing relatively well. About 87 percent of them  
13 are meeting those performance metrics. So I think  
14 it's important to have them and, obviously, to  
15 measure the vendors against them, and we can ensure  
16 that we're getting what we pay for in that process.

17 MR. EVANS: In your report, Henry, we note where  
18 we see project violations, slippages and so on and so  
19 forth -- contract violations in projects, slippages

20 and so on. Is there any -- are we noticing that  
21 where those are occurring are in one agency -- not to  
22 call anybody out -- are they in one agency or are  
23 they spread across the 13-plus agencies that do these  
24 projects?

25 MR. GARRIGO: There's quite a bit of analytics

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 that we will try to do, again, a slight resource  
2 constraint, so we're trying to keep that at a pretty  
3 high level. We want to do some more analysis and see  
4 what kind of projects are being outsourced, or are  
5 there certain types of services that are being  
6 outsourced, are those being more successful than  
7 others, are there certain vendors that we're engaged  
8 with that are more successful than others, those  
9 kinds of things, so a whole 'nother level of  
10 analytics that we hope to do, and, again, referring  
11 back to our internship and staff augmentation  
12 activities, there are some experts in analytics and  
13 statistical analysis that we hope to bring in to do  
14 that for us, and we'll hopefully generate more  
15 information.

16 MR. EVANS: The objective in looking at that,  
17 obviously, is to know where we can direct our help  
18 and assistance.

19 MR. GARRIGO: Absolutely.

20           So these were two areas that we thought were of  
21           concern, as well as opportunities for us to try to  
22           impact as we get deeper and deeper into the data and  
23           get more granular, hopefully we'll identify some  
24           other things that will be -- a little bit more razor  
25           focus.

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 CHAIRMAN SOUTH: Great. I'd like to take this  
2 time to ask our Council members who are joining us by  
3 phone if they'd like to speak to the annual report.  
4 So Tim or Akhil, if -- this would be your chance to  
5 jump in.

6 MR. YANDELL: My only comment is because  
7 actually some of the things that have been said  
8 earlier -- it's an excellent document -- I think can  
9 only tell us that we currently have is the fact that  
10 -- the mandated aspect of you're forced to use it and  
11 all that -- well in the framework of volunteer  
12 compliance as opposed to -- and the whole -- it's  
13 always here to -- value rather than being told and  
14 seeing it as yet another -- getting things done, and  
15 my compliments to the group of folks that have been  
16 involved in this to get it done, so that's apparently  
17 not been the case in the core proceeding -- there is  
18 real value in going through this process.

19 CHAIRMAN SOUTH: Well put. Thank you, Tim.

20 Akhil, did you was not to weigh in?

21 MR. AGRAWAL: (Unintelligible comment.)

22 CHAIRMAN SOUTH: Good. All right. At this

23 point I'm going to ask, is there any Council Member

24 that wants language in the report changed, or are we

25 comfortable accepting it as presented, and if we're

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 comfortable accepting it, I'll take a motion.

2 MR. EVANS: So moved.

3 MS. ECHEVERRI: Second.

4 CHAIRMAN SOUTH: Okay. All those in favor of  
5 accepting the annual report as presented say aye.

6 (Chorus of ayes.)

7 CHAIRMAN SOUTH: All right. Let the annual  
8 report be filed and send it on, Henry, so if you'll  
9 get us a communications strategy for your  
10 distribution on that and you would execute that  
11 strategy at the completion of this meeting.

12 MR. GARRIGO: Yeah, definitely.

13 Just to move forward a bit, there are some  
14 specifics that you could go over in the materials, as  
15 well as, obviously, read the report. Obviously, if  
16 the Council is going to approve it as is, we will  
17 develop the final text version. We're going to try  
18 to publish that to our Web site. In the sake of  
19 efficiency, we are not printing anything. It is

20 available for download on our web site. We will have  
21 that up this afternoon after we include whatever  
22 comments there might be. There will be a follow-on  
23 or a flowering graphics version that will be  
24 available. We will have some hard copies available  
25 as well in the future, but look forward to having the

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 public as well as agencies come to our site and visit  
2 our annual report and hopefully extract some good  
3 value from that as well.

4 CHAIRMAN SOUTH: Great. All right.

5 The last item on our agenda are the business --  
6 our business case reviews. So, Henry, if you could  
7 give us the report on the business cases that your  
8 office has --

9 MR. GARRIGO: Yeah, definitely. Being that  
10 we're here in August, we've actually started off the  
11 new year, so just to recap last year, it's included  
12 in the annual report and gives you little bit more  
13 granularity. This calendar year we were impacted by  
14 the budget cycle, not only on our resources. We were  
15 able to meet our SLAs on turning around the business  
16 cases, but there were fewer that were coming in to  
17 us. We have reviewed only 21 business cases this  
18 year relative to 29 last year to -- yeah, 29 last  
19 year. However, the value went up. We had

20 \$62 million in cases last year, and we had \$94  
21 million in cases that we reviewed this year. So  
22 about a 54 increase in value, but only an  
23 eight-percent drop in the actual number of cases.  
24 We're seeing larger, more significant cases coming to  
25 us.

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1       For this year alone, we had a potential impact  
2       of \$26 million in proposed savings to the State. So  
3       I'd like to refer you back to that \$441,000  
4       investment that the Legislature has made in us and  
5       relate that to the \$26 million in potential savings  
6       that we've been able to identify and hopefully  
7       impact.

8       Going forward for this year, we're only 45 days  
9       into a new fiscal and work year. We already have  
10      seven business cases in valued at approximately  
11      \$75 million. So we're way ahead of the trend in  
12      there. We've actually seen some additional agencies  
13      begin to report. We had some -- a new business case  
14      in from the Office of Financial Regulation that  
15      hasn't worked with us in the past. DEP is working  
16      with us now. We've had some significant training on  
17      their side as well in their agency. You also have  
18      the Agency for Persons with Disabilities we've  
19      engaged in. I'd like to also point out that these

20 are not all outsources. Through the process of  
21 exposing them to the value of innovation, they begin  
22 to look at some insourcing. So we actually have a  
23 couple of insourcing projects that we're looking at,  
24 one of them valued at over \$21 million in savings.  
25 So just the fact that we went out and talked to these

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 people, educated them on the value of that, they put  
2 together a business case, and if we go forward with  
3 that, again, \$21 million in savings to the state.

4 We always, as I mentioned, are not only doing  
5 the review but we're engaging with agencies on  
6 business case development. So working almost as a  
7 consultant in these engagements with them, and we  
8 have three large engagements that we're working right  
9 now. One of them is potentially over our \$10 million  
10 threshold. Now, that is an insource. One of them is  
11 an insource, so it doesn't necessarily follow the  
12 statute, but we're going to run it through the  
13 process just like we would an outsource. And then we  
14 have another one we're evaluating that is just over  
15 our \$10 million threshold from DJJ on a large  
16 residential facility. So that's potentially one that  
17 will be potentially coming before the Council as  
18 well.

19 So as I kind of relate all these things back to

20 our schedule, we do have a September 25th meeting  
21 scheduled, if you would please make sure you keep  
22 that on your calendar. We're going to look at the  
23 timing of this. We may actually have to have action  
24 on it before, in which case we may call some sort of  
25 special meeting or do a teleconference to do that.

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1           So again, the first year, as an upstart, we had  
2           some good business. Last year, the first year of  
3           operations, as they say, same-store sales are up.  
4           We've done quite well as far as that goes, and going  
5           forward I think we're way ahead of the curve as far  
6           as new engagements, new agency participation, dollar  
7           value, impact and potential savings.

8           CHAIRMAN SOUTH: Good job, Henry. I'm excited  
9           about these new cases. DJJ, Department of Juvenile  
10          Justice, has been our best customer to date, and  
11          we've been able to create quite a lot of dialogue  
12          with them, and as word about that efficiency and  
13          expertise spreads, then we will see our same-store  
14          sales increase. I just wanted to note that.

15          MR. GARRIGO: Absolutely. To point out to the  
16          effect we're having on DJJ, comparing some of the  
17          initial business cases that we got in year one of  
18          operation to now that we're getting in year three,  
19          they're so much more robust, including all sorts of

20 new elements, cost-benefit analysis,  
21 return-on-investment analysis, risk-management  
22 analysis, performance metrics, things that were just  
23 not in there before that are now being included. So  
24 I think we're making some good impact there.

25 CHAIRMAN SOUTH: Well, it's working and I'm very

FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491

1 tickled with that progress.

2 All right. Are there any announcements that  
3 need to be made?

4 All right. Having none, let me thank y'all for  
5 your interest and participation. Gentlemen, Tim and  
6 Akhil, thank you for joining us by phone. I'm sure  
7 you won't miss that airplane ride home.

8 So with that, this meeting is adjourned. Thank  
9 you.

10 (Whereupon, the proceedings were concluded at  
11 10:50 a.m.)

12

13

14

15

16

17

18

19

20

21

22

23

24

25

**FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491**

1                   **CERTIFICATE OF REPORTER**

2

3

4

5           I, RAY D. CONVERY, do hereby certify that I was

6 authorized to and did report the foregoing proceedings,

7 and that the transcript, pages 1 through 45, is a true and

8 correct record of my stenographic notes.

9

10          Dated this 16th day of September, 2008 at

11 Tallahassee, Leon County, Florida.

12

13

\_\_\_\_\_

14

**RAY D. CONVERY**

15

**Court Reporter**

16

17

18

19

20

21

22

23

24

25

**FOR THE RECORD REPORTING TALLAHASSEE FLORIDA 850.222.5491**