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COUNCIL ON EFFICIENT GOVERNMENT

March 29, 2007

The Capitol Building

Cabinet Meeting Room LL03

Tallahassee, Florida

PANEL MEMBERS:

LINDA H. SOUTH, Secretary (Chairperson)

ALEX SINK, Chief Financial Officer

HOLLY BENSON

JAMES ZINGALE

AKHIL AGRAWAL

STEVEN EVANS

TIMOTHY YANDELL (Appearing Telephonically)

Reported By:

Susan Willis, RPR, RMR, CRR

Court Reporter

1 MS. SOUTH: Good morning. Thank you for joining
2 us. Welcome to our first meeting. We are delighted to
3 have your participate with us. At this point, I would
4 like to take the opportunity to do a roll call, and we
5 will start down on your end. Give us your name and a
6 little about you.

7 MR. EVANS: My name is Steve Evans. I am a
8 retired executive with the IBM Corporation and former
9 Chairman of the Florida Tax Watch and currently the
10 Chief Operating Officer. I'm delighted to be here.

11 MR. ZINGALE: I'm Jim Zingale, Florida Department
12 of Revenue.

13 MS. SINK: Alex Sink, Chief Financial Officer.
14 Glad to be here.

15 MS. SOUTH: I'm Linda South, I'm the Secretary of
16 the Department of Management Services.

17 MS. BENSON: Holly Benson, Secretary of the
18 Department of Business and Professional Regulation.

19 MR. AGRAWAL: Akhil Agrawal, currently President
20 of American Medical Depot.

21 MS. SOUTH: Tim, can you let us hear from you?

22 MR. YANDELL: I am Tim Yandell. I am the
23 President of inetUSA in Melbourne, Florida.

24 MS. SOUTH: Great. First off, welcome to our
25 first meeting. We have a very, very exciting task at

1 hand --

2 MS. SINK: When you wish to speak, if you would --
3 I've been up here three times before.

4 MS. SOUTH: We'll take leadership wherever we can
5 get it. Thank you. All right, so we do have an
6 exciting --

7 MR. YANDELL: I am really sorry to interrupt, but,
8 really, I can barely hear anything. Is it possible to
9 move the mike a little bit closer?

10 MS. SOUTH: Can you see if there is some way to
11 get that phone to a microphone?

12 UNIDENTIFIED SPEAKER: Yes, ma'am.

13 MS. SOUTH: All right.

14 (Discussion off the record.)

15 MS. SOUTH: We are going to do a test on this.
16 Can you hear us now you?

17 (Discussion off the record.)

18 MS. SOUTH: All right. I would like to ask folks
19 for this, for this purpose, if y'all would just silence
20 your beepers or your telephones, put them on quiet if
21 you would.

22 Also, I would like to remind you, this is a
23 council that serves in the sunshine. There will be an
24 opportunity for public input. Anybody that wishes to
25 speak before the council would please sign the public

1 comment sign-in sheet located in the back of the room.
2 And it appears that I didn't see it, but you must press
3 the talk button to turn the microphone on.

4 What I would like to do now is introduce Richard
5 Ramos, who is Executive Director of the Council and
6 introduce himself and staff. Thank you.

7 MR. RAMOS: Thank you very much, Madam Chair. My
8 name is Richard Ramos. I am Executive Director. Allow
9 me to introduce the team. We have an outstanding group
10 of people. We have, as the person who kind of really
11 is our staff administrator, Amy Houston.

12 We also have -- I am sorry, just check behind me
13 here. We have Noah McKinnon, Rob Zirnowski (phonetic),
14 Bob Carter, and Kristina Lawrence. They have all
15 worked amazingly to help bring this together, and it's
16 really been a team effort, and that's the approach
17 we've used from day one with our organization.

18 MS. SOUTH: Great. It's a good team. I am glad
19 to see that you have done a good job. At this point,
20 if there's any public comment, we'll be glad to take
21 public comment at this time.

22 All right. Well, that's -- we'll get started
23 then. At this point, we would like to recognize
24 Dominic Calabro -- Calabro, thank you -- President of
25 Florida Tax Watch. Dominic is going to do a

1 presentation of the report on the Florida Tax Watch
2 Outsourcing Task Force, and serendipitous that you
3 released that yesterday. We'd like to have you make a
4 presentation to the council thank you.

5 MR. CALABRO: Thank you. Thank you, Madam Chair,
6 and thank you, each member, for your special service to
7 the taxpayers of the people of Florida in this
8 important council.

9 Again, my name is Dominic Calabro. Thank you.
10 Again, my name is Dominic Calabro. I'm President and
11 CEO of Florida Tax Watch. I think many of you -- but
12 for the record, Florida Tax Watch is 501c3, non-profit,
13 statewide nonpartisan government watchdog. Its
14 researchers have for the past 28 years provided the
15 citizens of Florida and public officials with
16 high-quality, independent research and education on
17 government spending, revenues, taxation, public
18 policies and programs.

19 Our objective was very similar to what you're
20 trying to do here today and in the weeks and months to
21 come, and that is to improve taxpayer value, make sure
22 we get more bang for the buck, to improve the
23 accountability of the state and local government so we
24 know what works and what doesn't; and last but not
25 least, probably the most important of the three

1 missions is to help improve citizen understanding of
2 the rightful roles and responsibilities of our
3 government and also the citizens' responsibility of
4 being a good citizen and taxpayer. So in that regard,
5 we've had a keen interest in the work and the mission
6 of this council.

7 Some years ago, I think the CFO, Alex Sink, was
8 one of our officers at the time. In 1994, Tax Watch
9 had a very active role with then Governor Lawton Chiles
10 and a bipartisan effort to help the Legislature fashion
11 the Government Performance and Accountability Act of
12 1994, that helped begin, actually, the Council on
13 Competitive Government, which I think was an early
14 forerunner to what we are doing here.

15 But this council, the Legislature has more
16 recently codified a statute from Governor Bush's effort
17 earlier. I think it really goes -- the proper next
18 step is to make sure that we really build, not just in
19 concept, but build a good business case. So in so
20 doing, Tax Watch assembled a group of distinguished
21 Floridians, those that had expertise inside government
22 and those outside of government, to examine how we
23 outsource.

24 You know, the term privatization is often misused.
25 We are not really talking about making something

1 private which was once public, but really a public
2 function as performed by the private citizens in
3 private companies and private providers, whether it's
4 for profit offer not for profit.

5 Florida Tax Watch really as a value construct
6 doesn't see any difference in the provision of a public
7 service, a governmental function whether that is
8 provided by a public employee or by a private provider,
9 it is still a government function, and the fiduciary
10 responsibility remains the same.

11 It is probably more difficult and has to be
12 managed very differently. But in the process we did
13 assemble an impressive list, and I think you have a
14 list of some of them. I want to mention a couple here.
15 The Task Force chair is Viann Hardy. Would you stand
16 up for a moment?

17 MS. SINK: Dominic, do we have copies of the
18 report? Or are you assuming that we do have them?

19 MR. CALABRO: I pushed that button incorrectly.
20 You are right. We are getting them to you right now.

21 MS. SINK: Okay, thank you.

22 MR. CALABRO: I apologize. I thought you had
23 them. Viann is vice-president of corporate business
24 development at MAXIMUS and has many years of experience
25 in Florida government, is a member of the Florida Tax

1 Watch board and chair of this task force. Also, our
2 current chairman, Mike Jennings; myself; Barney Bishop,
3 president of AIF; Dr. Ken Boutwell, chairman of the
4 board of MGT of America; Dr. Nolia Brandt, Brandt
5 Information Systems and associate director at the Jim
6 Moran Institute, FSU; Dr. Neil Crispo; your very own
7 Steve Evans, Floyd Freeman, was the director of Publix
8 Super Markets, manufacturing/supply purchasing, that
9 also looked at how they, in a very large company, the
10 largest company in Florida, is involved in making these
11 decisions.

12 They go through the same challenges that Florida
13 has, so it was very important to have that perspective
14 and that kind of real-life challenge involved in
15 direction. David Griffin, a very successful public
16 servant, served as lottery secretary for several years
17 and a member of the tax board. Robert Hosay. Robert,
18 please stand, Robert. Robert is counsel at Foley and
19 Lardner and has a very important, special role in this
20 commission. Dr. Roger Kaufman, Tax Watch senior
21 research fellow and professor emeritus at FSU.
22 Dr. Earle Klay, the chairman of Tax Watch and senior
23 research fellow, a professor at Askew School. General
24 Robert Milligan, Florida Insurance Consumer Advocate,
25 and as we all know, a very outstanding public servant

1 in his own right, having served the Comptroller of the
2 State of Florida, the predecessor. Steve Rogers,
3 client executive of Florida State and Local Government
4 for the IBM Corporation and Tax Watch member. And Fred
5 Springer who is now with Bryant Miller Olive law firm.

6 In addition we also shared information, had some
7 good comments with Rich Ramos, your Executive Director,
8 and want to particularly thank Doug Darling. We did
9 have an opportunity to -- at the good advice of General
10 Milligan, who really gave a great deal of support and
11 guidance to this effort -- actually, we asked him to
12 participate before he was offered the opportunity to
13 come back, bring him back, as he so well served the
14 State of Florida. Doug has helped to review the report
15 and gave us some really good insight as well. We want
16 to thank him.

17 The Task Force corroborated with our staff, the
18 Tax Watch and these important public servants and
19 outstanding business leaders have produced this report
20 called, "Accountable Cost Effective Procurement is
21 Critical to Successfully Outsourcing Public Service."
22 The principle developed by the Task Force can help
23 Florida government be successful with future
24 outsourcing initiatives.

25 Here is really the basic principles. The basic

1 principle are, first, select the right programs and
2 projects to outsource, based on identified needs and
3 achievable performance objectives.

4 Two, choose private sector partners based on
5 suitability, experience, qualifications, and approach,
6 as well as price and compliance.

7 It is very important to also make sure we knew
8 that the partners we were dealing with had a good, long
9 history of good past performance. There is no
10 assurance of future performance, but past performance
11 is obviously have very important of predictability and
12 reliability.

13 Third, it is important to utilize experience and
14 qualified managers who are willing and able to work in
15 a collaborative peer relationship with these
16 prospective vendors.

17 Fourth, share the risk and rewards of achieving
18 objectives that are based on measurable outcomes. We
19 also felt wherever you could, it would be wise to
20 encourage competition from government employees as
21 well; but in so doing, make sure, which is good, wise
22 advice, which is reinforced, that we have good full
23 cost accounting methods so we know what it really cost
24 us internally, both direct and indirect costs of
25 providing that within the governmental structure and

1 the full cost, including the monitoring and evaluation
2 and oversight of it being an outsource activity.

3 There are three characteristics of a successful
4 outsourcing project, and that was, obviously, one,
5 establish governance structure; a good business plan, a
6 strong performance-based contract; and to improve the
7 outsourcing government sources the Task Force created a
8 model that breaks the outsourcing initiative into three
9 basic phases. And I think you can really see it best
10 in page 7, and it overlaps with the business plan
11 contract, awarded contract, and that is the process to
12 outsource the government activity or service.

13 One is exploration, engagement, and execution.
14 One of the concepts that was constantly discussed was
15 evaluation, and some had thought maybe we should have
16 evaluation at the very end, and it was really
17 emphasized that evaluation must be an integral part of
18 each of the statistics. But, obviously, at a certain
19 point in time when you would say: Did we achieve what
20 we set out to in the time frame and cost in which we
21 did? If not, how do we correct that in the future?

22 Some of the things that will help us get along
23 here are integrating a lot of the other business
24 improvement plans that a lot of agencies, particularly
25 Department of Revenue and some other agencies are

1 undertaking to help improve just their daily operating
2 business practices that will help keep a very sharp
3 focus on getting good results, stay within budget and
4 on time.

5 We hope that you will use these recommendations,
6 and use them also a checklist, make sure we check off
7 as each of the agencies procure, go back and try to
8 adjust or correct some things we've done in the past,
9 but in the future make sure we have a checklist. And
10 it is really good to ensure we have good, sustainable
11 management and execution.

12 Last but not least, it is important to recognize
13 that it takes a different level and skill of a manager
14 in this environment. As we begin to use -- try to
15 harness and guide the power of competition,
16 particularly in the private sector, the entrepreneurial
17 spirit, we have government managers that understand
18 risk/reward, understand the rightful use of private
19 sector in enterprise and channel that for the public
20 benefit.

21 It's got to be a mutual benefit, but ultimately,
22 the private sector is going to have to make a profit.
23 The public sector manager has to make sure they get the
24 project done well, high-quality, on time, and within
25 budget to the satisfaction of the customers of

1 government. Madam Chair.

2 MS. SOUTH: Thank you. It is a great report. Let
3 me ask you about the distribution. Will this report be
4 directed to agency heads? Would you like us to take
5 care of that, or is that your plan too?

6 MR. CALABRO: We will distribute, but we would
7 love for you to share that as well. And this is not
8 the ending, we see this as kind of a beginning. We see
9 our part, we are not trying to manage or micro manage.
10 We have learned through some 20 years of experience, to
11 make it simple but not simplistic, and it's really, as
12 we see, having good solid, well-grounded principles,
13 good common sense, and then good discipline of
14 execution. And I think if we follow these fairly
15 consistently, we'll add a lot of value, so we will be
16 there for the distribution, there to consult or advise
17 the agency or assist them in any way we can.

18 MS. SOUTH: With a bridge to determine how can we
19 can get your reporting to the agency. Members, do you
20 have questions or comments about the report?

21 MR. EVANS: Very good.

22 MS. SOUTH: Great foundation. It is interesting.
23 And, again, timely to make this report to you the day
24 we kick off our meeting, so we thank you for that, and
25 we'll of course look forward to incorporating your

1 ideas.

2 MR. CALABRO: Thank you.

3 MS. SOUTH: At this moment, what I would like to
4 do is set, set the foundation. As we know, all of us
5 here at this podium, we're service to public. We
6 understand our roles and our responsibilities to the
7 State of Florida as we conduct our business.

8 In order to set the foundation of understanding
9 strongly going into our work, what I would like to is
10 have Pat Gleason speak with us about our
11 responsibilities under our roles here as a public board
12 that needs to operate in the sunshine under Public
13 Records Law. So at this point, I would like to
14 introduce Pat Gleason. She is the head of Open
15 Government, is that the --

16 MS. GLEASON: Special counsel for Open Government.

17 MS. SOUTH: Thank you. So if you would like to
18 brief us on what our responsibilities in this capacity
19 may be.

20 MS. GLEASON: Thank you very much, Madam Chair and
21 members. It's a pleasure to be here to have a very
22 brief explanation about Florida's Government in The
23 Sunshine law. There is a packet of information in case
24 you would like more detail. But, otherwise, the
25 requirements of the law are very simple. All

1 gatherings of two or more members of this Council to
2 discuss any matter on which foreseeable action will be
3 taken must be held in the sunshine at a meeting like
4 this one, at open-noticed meetings. So, basically,
5 any -- I notice there is some material in my packet
6 that talks about council member interaction. And that
7 phrase is a good one, because it allows me to just set
8 out the Sunshine Law in very key defined terms.
9 Council member interaction about Council business is
10 not allowed except at an open, public meeting. No
11 private meetings between two or more board members. No
12 e-mails back and forth, and no telephone calls between
13 board members.

14 I realize I have used the word "no" probably ten
15 times, and I apologize for that, but I -- ultimately,
16 it's been my experience in working with so many boards
17 with important critical responsibilities like this one,
18 that our open government laws in Florida help to secure
19 public confidence in the very important work that you
20 do and ensure that the transparency that you're looking
21 for is consistent throughout the entire process.

22 If you have any questions, or there is something
23 that I can answer for all of you who, as I look around
24 are all familiar with our Sunshine Law requirements, I
25 would be happy to do so.

1 MS. SOUTH: Does anybody have any questions for
2 Pat?

3 MS. SINK: Yes, I do. When you said no e-mail or
4 communication, as relates to the business of the
5 Council, it doesn't refer to absolutely no
6 communication. Would you clarify that?

7 MS. GLEASON: I would be happy to do so, CFO Sink.
8 Yes, it refers to communications about Council
9 business, and other communications are not restricted
10 in any way.

11 MS. SINK: All right. Thank you.

12 MS. SOUTH: That is good to note, given we do have
13 daily operations.

14 MS. GLEASON: Excellent point.

15 MS. SOUTH: It would bring us to a halt. Although
16 I would say that in the event it sounds like there is
17 any potential that it could be construed as business
18 that might come before the Council, that all we need to
19 do let our executive director know we wish to have that
20 conversation. He will probably notice it, and we can
21 conduct ourselves in that way.

22 The right for public involvement in our work does
23 not preclude us from taking care of our work. So if
24 there is something we need to talk about, properly
25 notice it, keep minutes on it and take care of business

1 the way it is supposed to be taken care. Okay. Great.
2 Any questions for Pat? All right. Thank you very
3 much.

4 MS. GLEASON: One moment, Madam Chair. I have
5 been asked by staff to address the issue of interaction
6 between staff and the commission members, and the
7 courts have made it clear that an individual council
8 member is in no way precluded from discussing council
9 business with staff, and I think it's very gratifying
10 that they have such a strong desire to have those
11 conversations rather than remain in the background.

12 MS. SOUTH: Thank you.

13 MS. GLEASON: Anymore questions? Thank you so
14 much. I really appreciate the opportunity to be here,
15 and if I can be of any assistance in the future, please
16 let me know. Thank you.

17 MS. SOUTH: All right, very good. Rich, you have
18 other things that you would like for us to consider
19 from an administrative standpoint, so we would like to
20 turn that over to you, please.

21 MR. RAMOS: Thank you. First of all, I would like
22 to thank Pat Gleason again for coming. She was
23 instrumental in giving me the framework for the notice,
24 et cetera, follow-up on the Governor's initiative, and
25 we remain as long as possible regarding every business

1 we conduct as State auditors.

2 As far as roles and responsibilities with the
3 Council, this is a summary of Council duties as
4 described in the statute. Employing a standard process
5 for reviewing business cases, reviewing and evaluating
6 business cases to outsource.

7 We can go down the list. They are relatively
8 straightforward, and I think that dealing with issues
9 regarding outsourcing measures of \$10 million or more,
10 before we get to the specifics, I think it's important
11 that we deal with some of the administrative background
12 things. And one of them, I had our staff communicate
13 with each of your assistants, and I would like to name
14 the dates for the remaining meetings for the remainder
15 of the year, so at this point forward, it has been
16 approved by your staffs. Those meetings will take
17 place on June 7th, August 30th, and November 29th.

18 We believe that by doing it this way, we will
19 notice those meeting now. Of course, if there are
20 other meetings that we need to take place because
21 business cases come up and we do need to respond, we
22 will certainly contact you as soon as possible. But
23 those dates are set; and, therefore, everyone's
24 calendars are so busy that we'll be able to be prepared
25 for the remainder of the year.

1 As we go back, I mentioned to you the term
2 "outsourcing," and I would like to address that if I
3 may. What we have included in the back is a mini
4 glossary of several of the words that we'll continue to
5 hear. Outsourcing -- and I would like to give a
6 definition as it applies in statute, which is the
7 process of contracting with a vendor to provide a part
8 of or a whole service or activity. While the
9 responsibility for such services or activities is
10 retained by the State agency from which services or
11 activities were contracted, the management and delivery
12 and performance is transferred to the vendor.

13 Service is a unit or function of the lowest level
14 to which funds are specifically appropriated in the
15 Appropriations Act. An activity would be a unit of
16 work which has identifiable starting and ending points
17 and consume resources and produces output.

18 I think that it's important to recognize that when
19 we are talking of outsourcing, much of what occurs in
20 State government, there are many services that may be
21 contracted but are not necessarily an outsource.

22 The reality is in many cases we are speaking
23 specifically of taking the labor force that are
24 currently employed by Florida, and actually now doing
25 that job privately.

1 In some of these instances, we are talking about a
2 contract where we are talking about for instance, a
3 custodial role in that particular instance. That would
4 be an outsourcing, removal of individuals. But if we
5 are contracting and not necessarily supplanting staff,
6 Florida staff employees of the State of Florida, and
7 that would not be considered an outsourcing measure,
8 and that is as we go through, we may get cases
9 presented to us. They may submit them to the office.
10 But when we look at them, the reality is they are not
11 actual outsourcing. So we -- although we are offering
12 our assistance, and as our conversation I have held
13 with each of you, I think it is relatively clear that
14 we want to be a resource to State government to each of
15 the different agencies so that we're helping them
16 develop good business practices.

17 And I think that that's what our objective is, and
18 I do believe that if we do that well, there isn't
19 specifically anything we are out of because there are
20 other statutory requirements as we do reporting on
21 better ways of helping government achieve its end goal,
22 which is serving the public well.

23 As far as getting into the issue, as Pat has
24 addressed, communication, we as staff truly wishes to
25 be your eyes and ears and assistants on any measures.

1 As you go through the books, as we contact you,
2 one of the things I would like to do, I will be sending
3 to each of the Council members on a, roughly, weekly
4 basis, an update as to what we have been doing for the
5 week. If there are other issues or other matters you
6 would like us to address, I would look forward for the
7 feedback. And if there is a direction, particularly in
8 our taking a particular matter, we are prepared to do
9 so.

10 If there are questions you don't feel have been
11 answered or as sufficiently, again, we would look
12 forward to providing that assistance to you as Council
13 members.

14 Our contact information, obviously, is inside. We
15 are available to you 24-7, and we look forward to
16 helping you in any way with that. Currently there are
17 no events or activities scheduled. There are no
18 deadlines of any issues.

19 We'll get into the specific tasks later in our
20 meeting agenda, but I think that at this point we have
21 addressed those issues. Were there any questions I can
22 answer regarding activities? Yes, ma'am.

23 MS. SOUTH: That is fine, okay. Any questions for
24 Richard on these issues? All right. What we'd like to
25 do now is to go tab 4 of your binders. Any

1 organization, anybody who needs to be clear about what
2 their objective and mission is and what I would like to
3 do is bring our attention now to draft mission
4 statements before the Council. Staff has been helpful
5 in putting some draft ideas together. Who could come
6 to podium to assist with us this, please?

7 UNIDENTIFIED SPEAKER: Thank you, Madam Chairman.
8 As you can see on Tab 4-B, we have developed several
9 draft mission statements, also some potential brands,
10 and our goal was to offer a base line for the Council
11 to work with.

12 We looked at our mission statement as something
13 that should bring us back to our core mission, kind of
14 like a beacon in the fog. It should bring -- you know,
15 serve to keep us on course; and, most importantly, the
16 mission statement must be one that embraces -- and we
17 look forward to any input from the Council. And we
18 basically we have five mission statements and two
19 potential brands, and we look forward to any input.

20 MS. SOUTH: Okay. Members, what I would like to
21 come away with today is one of these adopted. At this
22 point, we would like to open the conversation for any
23 of your thoughts. Hope you've had a chance to take a
24 look at these. Start us out with that.

25 MS. SINK: Yeah, Secretary, I will throw out some

1 ideas. It was my impression that part of our charge
2 was to evaluate some of the three big
3 technology-related contracts and to determine what was
4 right about them, what might have been wrong, how we
5 might have been able to incorporate better business
6 practices for better results. And I guess when I am
7 just looking at these various mission statements, I
8 don't see anything in here about evaluation,
9 recommendation, maybe a little bit stronger language
10 about some of the activities that I thought we might be
11 engaged in.

12 MS. SOUTH: That is a valid point. I know that
13 the Council's mission is to be proactive about these
14 activities, and we are being asked right off the bat to
15 be evaluating three large contracts that did not go to
16 the best interest of the State. So there does seem to
17 be a little disconnect with that. If we can modify any
18 of these these to include evaluation of the projects at
19 the request of this organization.

20 MR. EVANS: Yes. Also, Madam Chairman, my
21 assumption was part of the mission was also to direct a
22 roadmap around which future projects could be
23 determined. Is that correct?

24 MS. SOUTH: That is correct.

25 MR. EVANS: It is not just looking back on

1 evaluation on the path, but look ahead to the proper
2 procedures and procedures to go forward as in a
3 responsible manner. Correct?

4 MS. SOUTH: Yes.

5 MR. EVANS: Okay. Some of these mission
6 statements at first blush -- I kind of just looked at
7 them, look a little tactical and almost look like we
8 are consulting for coming to recommend specific
9 projects and action as opposed to maybe coming back and
10 looking at a little different way from the standpoint
11 of determining, evaluating, and recommending proper
12 guidelines and procedures and actions before projects,
13 if that makes sense.

14 MS. SOUTH: Okay. Holly.

15 MS. BENSON: Thank you, Madam Chair. Forgot the
16 taxpayers in this equation, so I think one of the
17 reasons why the Legislature started thinking about
18 outsourcing was they were concerned about how
19 government was spending taxpayers' dollars, and so in
20 this we forget to mention that we are supposed to be
21 good stewards of the people's dollars in this thing.
22 That's why we are trying to build in oversight. We
23 know they are getting good contracts, so I think we
24 ought to eventually mention them.

25 MS. SOUTH: Okay.

1 MR. ZINGALE: With respect to CFO Sink's
2 recommendation, neatly, whenever we determined the
3 broad framework as a bullet underneath one of these
4 where we specifically outline three projects to review
5 and recommend. So that's, that's a short-term task
6 that when we finish it, it is behind us, so hopefully
7 that would be something to execute, finish, and then
8 pull out when it's done.

9 But I definitely agree that we need something in
10 here to frame, that's what is going to drive us in the
11 short run.

12 MR. AGRAWAL: Is the goal here for us to start
13 framing out the language, or are we going to ask staff
14 to reframe this? Because I think we need something a
15 little -- I think we need something a little more
16 concrete, more actionable than what's on the paper
17 here.

18 MS. SOUTH: What I would like to do is take y'all's
19 collective thoughts, ask the staff to go back and craft
20 that again in our next mission. At our next meeting
21 we'll bring back some of those recommendations --

22 UNIDENTIFIED SPEAKER: Yes, ma'am.

23 MS. SOUTH: -- additional, would be helpful.

24 UNIDENTIFIED SPEAKER: I have one last question,
25 more from a procedure standpoint. Our next meeting is,

1 in context of the Sunshine Laws, we just -- some are
2 not quite as familiar, very respectful of them, but not
3 quite as familiar. Given the fact our next meeting
4 isn't until June 7th, is there any of this we can do
5 through staff, come to completion on, or does this have
6 to wait until June 7th before we can actually sign
7 this?

8 MS. SOUTH: I would expect the Council needs to
9 act on it in a meeting, and we can do the work back in
10 the background. The staff can contact each of us and
11 provide a touch point about where they are at in
12 developing and solicit additional information from you
13 and any corporate work. The action item would be at
14 the public meeting which is at the time -- which time
15 we would adopt a mission.

16 MS. SINK: Madam Secretary, might consider if the
17 staff goes back and works some different language, we
18 could always, if we feel that we have agreement, have a
19 telephone -- do a short, brief telephone meeting, if
20 it's obviously properly noticed in the interim. That
21 might be a way.

22 MS. SOUTH: Absolutely. That is a good solution.

23 MR. ZINGALE: See if I can elaborate. To the
24 extent that individually we can throw suggestions to
25 the staff, it may not be to craft one requiring them to

1 coordinate with us, but based on the input, generate
2 two or three more that would collectively grab the
3 input. We could all see them, and we can notice the
4 phone call.

5 MS. SOUTH: That is perfect. Y'all agree with
6 that?

7 MR. AGRAWAL: Yes.

8 MS. SOUTH: Rich, you have enough information?

9 MR. RAMOS: Absolutely, ma'am, we are capable of
10 doing that.

11 MS. SOUTH: Okay great.

12 MR. ZINGALE: I think Steve's point in terms of
13 the tactical, when you read some of these, both in
14 terms of mission and bullets under the missions, the
15 reference to agencies, as what our goal here is to
16 serve agencies on the bottom-up basis, looks too
17 restrictive to me.

18 I think many times the solution should be part of
19 what would cause the problem we are dealing with.
20 There should have been multi-agency collaboration in
21 the development of what the solution is, and we are
22 trying to look at government-wide enterprise solutions
23 in many cases as opposed to an individual project here
24 or a project there.

25 So I would also like to see the broad mission

1 encompassing government as a whole, so serving the
2 public as a whole, protecting taxpayers in terms of
3 business efficiency, general and, and those ideas need
4 to be reflected in how we look at individual agency's
5 projects as they are coming forward.

6 MS. SOUTH: Okay. Secretary Benson.

7 MS. BENSON: Thank you, Madam Chair. I think also
8 our statute is to establish the best practices for the
9 agency, and so as a bullet, in addition to the training
10 programs, I think we ought to establish best practices
11 before we take that down to the agency.

12 MS. SOUTH: Okay, great. Input?

13 MS. SINK: What, Madam Secretary, what does the
14 staff want to maybe comment on -- I know that it's very
15 difficult to craft this mission statement, so did you
16 want to make some comment about what your thought
17 process was as you, as you put these comments? I
18 notice that the same two bullet points are there for
19 every option, but --

20 UNIDENTIFIED SPEAKER: I just -- when I did this,
21 I looked at it and, you know, a color pallet, that
22 everybody had an opportunity to provide input, I took
23 input from everyone and tried to put it -- and looked
24 at Fortune 500 mission statements, and tried to craft
25 it in the most business-like manner I could, and I

1 wanted to see what everybody's ideas were, and this was
2 just kind of a starting point to kind of get an idea of
3 what the, what the Council was thinking, and you have
4 given me some great ideas, and I hope to provide you
5 something a little bit more to the point that you need.

6 MS. SOUTH: We thank you for putting something
7 together to get our conversation started. So what I am
8 hearing -- let me recap. I understand the comments to
9 be first of, our mission does involve evaluation of the
10 projects. We desire this to be less tactical in
11 nature, that we want our mission statement to reflect
12 our stewardship as servant leaders is to serve the
13 needs of taxpayers; that our mission is multi-agency,
14 enterprise-wide, government solutions, rather than the
15 agency-by-agency solutions and establishment then --
16 the establishment and the dissemination of best
17 practices as a core mission of the organization.
18 Doctor Zingale.

19 MR. ZINGALE: I am still trying to maximize the
20 use of our next 90 days that we are not meeting all the
21 time. I don't know that this isn't within the
22 framework of the next step after you do vision,
23 mission, in that those three charge that CFO Sink
24 discussed are really strategies. In meeting with each
25 of those three, you might want to elaborate on a

1 strategy in terms of what kind of things do you think
2 need to be done in those areas, some rough time
3 frameworks so we can get some sense of this is going to
4 happen over the next two years or next six months or
5 next three weeks, treat them as a strategy, at least on
6 a separate sheet of paper to try to give us some
7 guidelines in terms of the urgency, what the outcome
8 maybe is expected from the mandates we have been given.

9 MS. SOUTH: Okay. I am sensing that -- are you
10 more comfortable with our meeting schedule? We did --
11 you know, we did discuss -- Rich discussed with me the
12 schedule, and I suggested that bimonthly meeting. Is
13 that often enough or too frequent?

14 MR. EVANS: It is hard to tell whether it is
15 frequent enough. It is depends on what we are
16 producing this year. I think I am concerned it is too
17 few and the length of time is too broad. But I don't
18 really have a crisp understanding as to what the actual
19 product is that we want to produce by when. I think we
20 are coming in terms of that now.

21 MS. SOUTH: Right.

22 MR. AGRAWAL: I think it all depends largely if
23 all your -- I think if we are going to go toward the
24 broader mandate of, quite naturally, in the name of the
25 Council versus the cases that were specified, if we go

1 with the name of the Council for Efficient Government,
2 I think you'll be -- it might be too few.

3 MS. SOUTH: Then let me suggest that we ask staff
4 to go back and take us to a monthly meeting until we
5 get our feet under us and get our mission officially
6 established and get our routine under way.

7 After our work is -- after our work is more stable
8 or more routine, then we can go back and re-visit at
9 such time we feel like our time is not well spent. My
10 sense is y'all are not comfortable with the bimonthly.
11 We want to go back to a monthly, and then we have the
12 privilege of changing that afterwards if necessary.

13 MS. SINK: Is the staff thinking that you would
14 have some outline of -- and maybe you have that for
15 today -- some work plan with deliverables ready within
16 the next 30 days? That would give us a much better
17 idea about the work ahead of us.

18 MR. RAMOS: At this stage, we did not have a
19 deliverable calendar or anything laid out in that
20 format. One of the things I hoped, as we discussed
21 some of the three tabs in the notebook, is we discussed
22 what we have done so far with respect to looking into
23 People First as an example, your thoughts as to how we
24 were going the direction -- and if you felt there was
25 additional factors you wanted added to it, that sort of

1 thing, so we did not say within 30 days we'll acquire
2 X. We have a 30-, 60-, 90-day plan we are looking at,
3 and as a matter of fact, my hope, as communicated, we
4 had a more weekly basis, that you would then help us
5 drive that mission.

6 MS. SINK: Okay.

7 MS. SOUTH: We'll go back to a monthly meeting
8 until we get our feet under us, and then at our next
9 meeting we will bring come back with two or three new
10 mission statements using the input from the Council
11 today. We act on it, that the --

12 MR. ZINGALE: As a suggestion, to try to move more
13 frequently, these are wonderful settings and an honor
14 to be on this side of the table for a change. I think
15 we need to debrief with Tim in terms of his ability to
16 hear and act. If you wanted to meet more frequently,
17 those of you who are here in Tallahassee can show up,
18 but this may be a perfect facility to do it, but are
19 there other facilities that if somebody has to call in,
20 they feel like they are part of this meeting?

21 MS. SOUTH: That is valid.

22 MR. ZINGALE: I think you need to talk to him in
23 terms of did he hear, was he feeling part of the
24 meeting, because if we are going to meet more
25 frequently, we are going to need telephones that

1 communicate the meeting.

2 MS. SOUTH: Right.

3 MR. RAMOS: We could absolutely investigate that,
4 sir.

5 MS. SOUTH: Okay, thank you. All right. We'll
6 move on the agenda to our next item, which is our work
7 is more -- our work is important, and we will get more
8 bang for buck and more people will have access to
9 understand what we are doing on the Web site,
10 communicating. Rich, if you would like to show us what
11 you have got as far the Council's Web site.

12 MR. RAMOS: Certainly. If I may, I would like to
13 bring up Barbara Carter to conduct this portion of it.

14 MS. SOUTH: We will direct you to your screens.
15 We will walk through the Web site.

16 MS. CARTER: Excellent. Our Web site is one of
17 our primary tools to reach our audience, and one of the
18 first actions Governor Crist did was his plain language
19 initiative, and simply put, that's taking complex
20 communications and simplifying it. So we've are taking
21 that to your Web site.

22 What our goal is at the office is to review the
23 current Web site attempt to simplify it, make it easy
24 to use and easy to navigate and put the tools there for
25 our customers, which are the State agencies and our

1 citizens.

2 So what I am briefly going to do this morning is
3 walk through our current Web site, which is housed
4 under DMS, show you the eight areas of information, and
5 then ask for your input, your suggestions, any comments
6 that you may have, and this is a task that the staff
7 will be undertaking very soon.

8 Our very first main page, the Council on Efficient
9 Government, basically this page describes how the
10 Council is -- the Legislature created it through the
11 Government Act of the 2006.

12 Our second area of information as your Council
13 mission, and, basically, this just states from 287 what
14 your mission is.

15 The next section is Council members, this is who
16 you are, who your organization is, and at the bottom it
17 tells the term of office that you currently hold.

18 Our next section is Council meetings. My personal
19 favorite section, I don't know why that is, because all
20 you've got to have is there. This defines when your
21 meetings are, where the agendas are. We have a copy of
22 the agenda there. It has your past meeting, past
23 materials. Any citizen, any State agency or you,
24 yourself, can go to the Web site, open the documents
25 print, view, and so on. So it would be a good tool for

1 anyone.

2 The next area is public input. Public input tells
3 the citizens and agency how they can get on the agenda
4 for Council meetings, or how they can contact the
5 office and add input or suggestions to us. The next is
6 initiatives and resources. I think this is our tool
7 box. This is an area we can drop documents, templates,
8 processes, anything and everything that will assist a
9 State agency, that will assist citizens. This is an
10 area that we can expand and really develop to give the
11 tools to the people that need the tools and about our
12 Council.

13 The next section is related links. These are
14 links to areas of interest such as statutes, OMV
15 information, better procurement guidelines, other
16 offices and councils similar to us and also PMP
17 training at the bottom. And this is an area that is
18 fluid and can change, and we can modify as the Council
19 so deems.

20 And then finally, it is how to contact us, how to
21 get ahold of your office, where your office is, who the
22 staff is, and also a link that I like is liaisons to
23 the Council.

24 Every State agency has identified a contact person
25 to the Council, and that tells them who it is and how

1 to get ahold of that individual, or if the State agency
2 had a question and wanted reach the person in-house,
3 they know how to get ahold of that person, and that is
4 it, very quickly.

5 MS. SOUTH: Very good. Do members have comments
6 or suggestions on how to utilize the Web site to get
7 our message across better?

8 MR. AGRAWAL: Is it our intent to make this
9 available so that agencies can also access and download
10 whatever information we are looking for them to provide
11 to us, and then our reports that we are planning or
12 doing the case studies, are they going to be published
13 on there as well?

14 MS. CARTER: That is our goal. Our goal is truly
15 to make it like a toolbox to get information to them,
16 templates, forms, processes, best practices, so they
17 have a resource they can draw on rather than try to
18 create the wheel from scratch.

19 MR. AGRAWAL: My thought was to the extent that
20 the path has been cut by one agency and they have
21 filled out the forms and done a case study, and they
22 can see what was done by the agency or the outcome was,
23 to the extent that can be instructive for the next
24 group of folks or the next agency that is trying to put
25 something together, it looks -- make it easier for

1 everybody for us to take some of the bureaucracy out of
2 the process.

3 MS. CARTER: And share the success. If something
4 is working really well, let's expand on of it.

5 MR. AGRAWAL: Absolutely.

6 MS. SINK: I also think that if we could have a
7 link into work that's done by the private sector like
8 Tax Watch, that would be instructive. And I am aware
9 that we have reports that have been done either by the
10 Auditor General or OPPAGA on the topic of contracting,
11 efficient government, and it would probably be
12 educational to have some of the work that's already
13 been done in the past on this issue linked in to the
14 Web site as well.

15 MS. CARTER: Excellent suggestion.

16 MR. EVANS: You are probably already aware of
17 this, Barbara, but there are Web sites that have best
18 practices through council, state government that are
19 available out there that gives national perspective as
20 well.

21 MS. CARTER: Okay.

22 MS. SOUTH: These are all very good suggestions.
23 Any others?

24 MR. ZINGALE: Most government agencies have a
25 national association, not just through the Council of

1 State Government but specialized for, like, management
2 services; and many of them offer the capability to
3 reach out through those services to every other state,
4 to have questions answered in response to if that's
5 available, you know, your agency, that would be a good
6 thing to see here.

7 MS. SOUTH: What I am hearing is we believe there
8 is a great deal of body of knowledge out there. We
9 don't want to reinvent the wheel, and we wanted to both
10 access the other information and make it readily
11 available to people that are interested in benefiting
12 from our work.

13 One of the things I think is that as we serve the
14 public, that confidence is gained when people
15 understand who people are making the decisions. I
16 notice on our Council members, we do not have a bio on
17 the members of the Council, giving our background and
18 experiences, so I would like to solicit your thoughts
19 about having a link to bio's on the Web site or a link
20 to a bio that you would approve. What are your
21 feelings about that?

22 MS. SINK: The bio --

23 MS. SOUTH: We have got great resources. I am
24 proud of us as a Council. I want the public to know
25 your, your expertise. All right. Staff, you can make

1 arrangements for bio's for the Council members.

2 MS. CARTER: Excellent.

3 MS. SINK: One more thing, if we are offering the
4 resource of Doug Darling, the head of our Division of
5 Accounting. He is also very active in NASACT, NASACT,
6 National Association of State Auditors, Comptrollers
7 and Treasurers. And Doug, I imagine they have
8 published a body of work on contracting.

9 MS. SOUTH: My last suggestion is on the link that
10 says public input and review, that I don't -- I see an
11 e-mail to the office. I am wondering if there might
12 not be a template on this particular link that would
13 make it easy for the public to provide input or ask
14 questions.

15 UNIDENTIFIED SPEAKER: Okay.

16 MS. CARTER: Anything else?

17 MS. SOUTH: Any thoughts on the Web sites? All
18 right, folks. That was a good presentation. At this
19 point, what I would like to do is to take a look at
20 current project reviews. And, Rich, if you would
21 please brief the Council on this matter.

22 MR. RAMOS: Yes, ma'am. If you turn to tab 5 in
23 your notebooks, I can go through the two that came to
24 us and what our responses were.

25 One of the things, questions, as you know, the

1 Council, although created in session last July and
2 after starting, kind of stopped, was started again
3 after the new administration. Prior to the appointees
4 being made again, the office was in existence, kind of
5 laying the framework, so we did receive some contact
6 for the Agency for Workforce Innovation and, excuse me,
7 and from the Department of Juvenile Justice.

8 What we did with staff was we reviewed them. We
9 have a response in here, and we can either read
10 through, or I can explain kind of what the premise was
11 as to our responses.

12 Neither of the particular cases that were, that
13 were brought in dealt specifically with our statutory
14 requirements. However, one of the things -- and I know
15 I've had this meeting or conversations with each of
16 you, but I will share again -- the objective, as I see
17 it, as our statute in dealing with these cases, they
18 come into us with the ability for outsourcing, to be a
19 resource for all government agencies. And even though
20 it may not meet our statutory mandate per se, to
21 actually weigh in through Council vote on whether or
22 not it is a mission to outsource or not. We do believe
23 there are best practices we can help provide, and
24 simply by being another set of eyes and ears, we can
25 help them look at these projects that they want to do

1 and go forward on and help them maximize their benefit.

2 In these particular cases, both from the AWI and
3 from Department of Juvenile Justice nothing rose to the
4 level of you as Council members reviewing. But we as
5 staff looked at it, met with them, and responded that
6 although they did not meet it, we actually gave them
7 guidance to come back to us, if they wanted further
8 assistance, how they could best do this going forward,
9 and that's how we measured both of these particular
10 projects.

11 In the future, as a case does meet our statutory
12 requirement, we would then, of course, work with them,
13 get their schedule 4-B, which I believe we provided you
14 all so you see what a schedule 4-B looks like and that
15 we would then have you -- we would then review, give
16 you the highlights of that document; and then you as a
17 Council would be providing your input to them as to
18 going forward or not going forward, your
19 recommendation.

20 MS. SINK: Rich, let me just add as some of these
21 come, as the Council hopefully gets more publicity or
22 more well known, some of these that come in that don't
23 fit the criteria or the mandate for our work, that
24 our -- that you may refer them on to the Division of
25 Accounting, because Doug has an active group that works

1 in consultation with agencies. Since we, we are
2 responsible for paying the bills on the back end, and
3 we very much would like to be involved at the front
4 end, and in some of these projects that may not meet
5 this Council's criteria, but to encourage the agencies
6 to be asking the back-end folks to review their -- what
7 they are getting ready to do and their particular
8 elements because, quite frequently, we come across
9 situations where we can't pay bills for services that
10 have been provided because the contracts haven't been
11 written well, or that the vendor didn't understand what
12 the requirements were. So that's a very important
13 critical, just ongoing element of the way they are
14 managing in our department, so we need to really be
15 joined at the hip, I think.

16 MR. RAMOS: Absolutely.

17 MR. AGRAWAL: The Chief Financial Officer, I
18 think, raised a great point. And, Rich, you and I have
19 talked about this a little bit in one of our
20 conversations, and I am not entirely clear on where the
21 role of Department of Management Services starts and
22 stops, where the role of the CFO starts and stops,
23 where the agency starts and stops, and where the
24 Council has -- I think it would be very at minimum
25 educational for me, and my guess is that I may not be

1 alone in not understanding the overlap or the gaps that
2 may exist and the resources that are available to the
3 program managers, to the agencies that are trying to
4 accomplish something, as to what they need to do or
5 what the resources are, what the roadmap is for them
6 being able to follow to be able to get a contract
7 executed.

8 Are any of the folks that are involved on either
9 state -- is anybody contemplating any sort of a study
10 or a simple guideline or evaluating what exists today?

11 MS. SOUTH: If there is a study under way, I am
12 not familiar with it. But, frankly, I think as staff
13 we can provide that framework for your understanding at
14 our next meeting. I think it is an excellent idea to
15 help the members of our Council understand how that
16 works. Jim, do you have other thoughts?

17 MR. ZINGALE: I think for our private sector
18 members and those that have had a substantial private
19 sector background, I think I would like to see a
20 two-and-a-half year calendar of how government works.
21 And you can take any project, but the technology ones
22 are certainly, are certainly highlighted in this
23 approach from initial initiation of the project in
24 terms of business requirements, developments, but a
25 time line in terms of how does that pass through TRW as

1 review, DMS review, legislative committee review?
2 Planning doesn't work in State government like it does
3 in the private sector where you initiate, execute.
4 There is this big year in between that has to get
5 legislative approval, that's what we're trying to
6 impact. And I think it would be very instructive to
7 see where these key decision points are and what the
8 time framework is, and it's a lot longer than I think
9 we are all used to dealing with, and who -- whether it
10 be the CFO's office at the back end of the cycle or DMS
11 at the front of end the cycle or TRW comes into play,
12 and the number of the projects have to also fit into
13 the federal approval cycle, major federal funds are in
14 there, and if this group over the next couple of years
15 could make that more streamline, efficient, and
16 rational, it would be a major accomplishment because it
17 isn't today.

18 MS. SOUTH: What I would like, Dr. Zingale, if you
19 would -- would you mind working with the staff on
20 helping do a briefing at our next meeting about that?

21 MR. ZINGALE: Sure.

22 MS. SOUTH: For those who are not familiar with my
23 background, I have been in state government about eight
24 months now and come from the private sector.

25 Dr. Zingale has been great to have lunch with me, let

1 me babble on about who did what. I know there is this
2 concept that we can and should take business practices
3 and business principles and put them into play as we
4 run this fabulous Fortune 50 organization.

5 However, the facts is, it is government and the
6 dance is applying business practices when in the
7 context of the government, and the checks and balances
8 that are in place are necessary and important. They do
9 change the dynamics of how we take care of business.

10 Your question is extraordinarily valid, and I
11 would like to ask Dr. Zingale to help us work with the
12 staff on a presentation at the next meeting. I am sure
13 I will learn a lot.

14 MR. RAMOS: Absolutely. I will share with you, we
15 have a couple of things we began in the process. I
16 have to be honest with you, I am not a process oriented
17 person; so, therefore, the creation of matrixes are not
18 my favorite thing.

19 MS. SINK: We have help around here.

20 MS. SOUTH: We hope that you have supplemented
21 that with staff.

22 MR. RAMOS: But we actually have developed a
23 process of developing a matrix that will be able to
24 walk that process through and share that information.

25 MS. SINK: I do think what I am hearing also is

1 maybe two assignments. One is what Dr. Zingale
2 recommended, which is show us one big project and the
3 time line of what has to occur. But I think, Akhil,
4 you made a good point that I would like to see, too,
5 is: Who does what around here? Where are the
6 overlaps? Where are the gaps? Because I saw here that
7 DMS does assist with training of purchasing agents.

8 We in the Division of Accounting have, we have
9 training modules for people to get engaged in
10 contracting, and we wanted to be sure we are not
11 totally overlapping. And, you know, if it's a \$10
12 million and up project, it is one thing. But, you
13 know, we have tens of thousands of contracts in this
14 state that are smaller than that and are equally open
15 to abuse and inefficiencies. I like your suggestion
16 very much because I am a newcomer, too.

17 MS. SOUTH: All right, it sounds like we have some
18 deliverables to look forward to at our next meeting.
19 All right, we'll now move on. The next item on our
20 agenda, which is the business case components, Rob,
21 could you speak to that? Rob, would you mind giving us
22 your background? Rob is a special member of our team,
23 and I would like --

24 MR. ZINOWSKI: Yes, Madam Chair, thanks very much,
25 thanks to the members of the Council. It's a pleasure.

1 My name is Rob Zinowski (phonetic, (comma)My
2 background, I have been in information technology,
3 large-scale implementation for about 30 years, state
4 and local government support for the last 15. I work
5 for a consulting firm here in town, North Highland,
6 national, international firm with a contingency here in
7 town, providing part-time staff support, to kind of
8 look at some of these processes to get started and kind
9 of getting over the hurdle, and it's been a great
10 pleasure to work with this team.

11 Rich has shared his version of the process in the
12 past so we have created the relational information
13 correlation hierarchy which is a series of information
14 and in columns and rows, and that seems to have gotten
15 him over that hurdle.

16 I've been involved in and around the state
17 outsourcing and procurement process for, as I said, 15
18 years, 10 of that here in Tallahassee for the last 10
19 years.

20 A discussion of the business case components as
21 provided in tab 6 of your, your notebooks, as Secretary
22 Benson alluded to, establishing best practices is part
23 of the Council's charge, and leveraging some of Dr.
24 Zingale's comments at the end in terms of: How do you
25 do it in the context of the state government process?

1 One of the Council's responsibilities is to
2 develop and recommend standards, best practices, best
3 practice procedures, and templates for state agencies,
4 development of business cases and the Council's review
5 of those business cases.

6 In researching that responsibility, one of the
7 goals we set was to avoid creating new activities and
8 redundant activities in the agency's process of, of
9 meeting the budgetary procedure, meeting the budgetary
10 requirements.

11 As it indicates in the briefing under the
12 background, the agency currently developed business
13 case documents for outsourcing large-scale information
14 technology projects using one of two formats. There is
15 a schedule 12-B, which is -- which was similar to the
16 format used by the DJJ examples that were in tab 5.
17 And then we have -- also there is a schedule 4-B, which
18 is a much more detailed component for large-scale
19 information projects, and we provided a copy of that
20 with your packet as well.

21 In the interest efficiency as we looked at the
22 requirements for a solid business case in the context
23 of state government and research, that was out interest
24 in the industry, one of the recommendations would be to
25 leverage things that are currently in place in use at

1 the state. The more robust of those things, really, is
2 the schedule 4-B guidelines for feasibility studies.
3 Those guidelines that are kind of listed in the
4 approach section in tab 6, they generally align with
5 industry best practices for supporting business cases,
6 and they are easily adopted for the Council needs.

7 In most cases, agencies already have to prepare
8 those documents for any large-scale procurement or
9 outsourcing that would also have an IT component with
10 it, and it would meet the needs of the core business
11 case components that the Council would want to look at.
12 If we adopted those guidelines as an initial standard,
13 and the point that Dr. Zingale made in kind of
14 outlining that sort of two-and-a-half year process that
15 you have been through, we could continue to evaluate
16 ways to work with the appropriations stakeholders to
17 streamline and improve those to meet everybody's needs
18 so we can have a single core component that we could
19 use for large-scale IT outsourcing, large-scale IT
20 projects. It would be reusable, and we wouldn't be
21 reinventing the wheel.

22 MR. EVANS: Rob, if I could ask a question, Madam
23 Secretary.

24 MS. SOUTH: Yesterday, even in reading this and
25 going through this, this is from our standpoint, were

1 we to assume going forward that our focus in the
2 process is not to look at better ways of developing
3 these guidelines or improvements to the guidelines, as
4 opposed to -- I am addressing the current guidelines.

5 MR. ZINOWSKI: I think it would be a combination
6 of the two. I think there's opportunities and even the
7 appropriations stakeholders, just in conversation,
8 related to projects over the years. They are looking
9 for ways to streamline the process as well. This
10 provides an adequate and adaptable initial set of
11 guidelines and also provides the opportunity I think
12 that you're alluding to, to improve those processes
13 over time.

14 The alternative is obviously one to create a
15 different vehicle which could put agencies in the
16 position where they have to fill out two separate
17 documents for the same projects, creating redundant
18 activity. The goal would be to streamline this and
19 improve it as part of the ongoing process of the
20 Council.

21 MR. EVANS: I have one other question. As we
22 ripple back -- I mean, I understand it is part of our
23 mission to peel back layers and understand what we can
24 improve from lessons learned as we moved forward.

25 MS. SOUTH: Right, right.

1 MR. EVANS: As we identify those lessons learned
2 and become more effective and efficient in delivering
3 these services to the benefit of taxpayers and State
4 workers working so hard, does that presume there is an
5 open invitation to modify the dividing lines where we
6 see improvements are relevant and necessary?

7 MR. ZINOWSKI: Yeah, I think it presumes that.
8 There are a couple of things in the comments that you
9 just made. Right here, we are focusing on the
10 guidelines for a business case. I think one other
11 thing that would relieve this is a much broader,
12 holistic approach, and we haven't talked about, you
13 know, what standards or review process do we apply
14 those business cases against. There's another set of
15 documents that covered that.

16 Lessons learned, again, is something we talked
17 about providing different additional links on the Web
18 site. Two examples of past projects to lessons
19 learned, to go to stakeholders in the community that
20 can provide background information on how to avoid
21 those, those issues going forward.

22 I think if you look at the holistic approach, we
23 would be looking at lessons learned, going forward,
24 combined with lessons learned into the future.

25 MR. ZINGALE: If I could, in terms of -- this is

1 just an opinion, one individual, but these are the
2 current guidelines, and as you say, it is only a
3 snapshot of the overarching process. This is the
4 process that has caused -- at least the projects we
5 have been asked to look at, it was followed and the
6 outcome was not deemed to be terribly successful. So
7 if you would look at this as only a beginning in terms
8 of what needs to be done, or as an ability to look and
9 see what broke down in the process as you went through.
10 I believe, personally, we don't see the major revamping
11 of some of this stuff, and we can look at projects at a
12 time. The overarching process is not going to fulfill
13 what the public is asking us to look at.

14 MR. ZINOWSKI: Those are, those are perfect
15 comments. If I may kind of separate this,
16 compartmentalize, the only thing we were addressing
17 here, really, the components, business case --
18 literally the components of the documents.

19 To your point, Dr. Zingale, the overall process
20 and the decision, the contract and the procurement,
21 those are all additional component parts of the
22 process. This particular section of the proceeding, we
23 are really saying: What are those things that the
24 agency would need to document and bring forward in
25 order to make an intelligent business decision?

1 The execution of those has certainly historically
2 been a problem, and the key is to avoid those problems
3 on an ongoing basis. The recommendation would be that
4 we would need to look at a different set of core
5 requirements for the purposes of bringing business
6 cases forward.

7 MR. ZINGALE: Again, this is just an opinion,
8 there were six or seven other models out there besides
9 this particular one that you're identifying here that
10 are -- looking on the Web site easily generates them,
11 whether it is the one the Feds recommended, the one the
12 military uses, not saying those are ideal, but they are
13 out there.

14 There are a number of private sector laws that are
15 out there. I mean, just -- I say side by side it would
16 be interesting to see how some three, five, or seven --
17 what do the major cradle-to-grave procurement business
18 case models look like? And there have been a number of
19 efforts in the last few years to attempt to streamline
20 it.

21 I think this one has been here for some time, so I
22 don't think it's had some of the benefit of what the
23 attention has been in this area of use.

24 MS. SOUTH: Dr. Zingale, you're familiar with
25 three or four. What do you consider to be the

1 strongest bidders we can take side by side?

2 MR. ZINGALE: We will share some of our look at
3 them with the staff. I wouldn't want to hazard a
4 guess.

5 MS. SOUTH: I am pretty sure that one is not going
6 to ever come out king, but we do want to look at the
7 elements that are out there, and your point is well
8 taken. Well, this will -- this is what has been done
9 to generate some of the projects we are currently
10 dealing with today that probably need a different
11 methodology, just from a first blush, my first 90 days.
12 So, again, if you would please provide the staff with
13 some alternates, at least four, what you consider to be
14 procurement activities that you think have value, let's
15 take a look at some of those for next time out.

16 MR. ZINOWSKI: We would be happy to provide a
17 side-by-side comparison.

18 MS. SOUTH: Secretary Benson.

19 MS. BENSON: Thank you, Madam Chair. Dr. Zingale
20 talked about areas where previously in history -- what
21 I think that we are missing, if we only look at the
22 business case, the problem with the way we contract, so
23 we frequently get outlawed bite other side, and if you
24 look at the statutory language in the 705.74, paragraph
25 5 --

1 MS. SOUTH: The third tab?

2 MS. BENSON: The first section, is doesn't matter,
3 a contract is supposed to contain certain provisions.
4 What happens, yeah, the business case frequently falls
5 short; but based on business case, we negotiate a
6 contract, and you talked about not knowing what, where
7 the gaps are, whether in State government. I have 60
8 lawyers in my agency, and we spend a significant amount
9 of money, and we can negotiate good contracts, so I
10 think one of the most valuable things we can do -- I
11 mean, I will keep coming back to the fact that we need
12 good contracts and we need good models, because that is
13 where the agencies fall short.

14 MS. SOUTH: And we need good knowledge transfer.
15 So while the Department of Management Services has
16 contract attorneys and contract managers, and we do
17 have certified contract managers negotiators that's
18 within DMS, as we do our State procurement, the State
19 contract, that knowledge transfer happens across
20 agencies. I think is it a longer -- developing
21 capacity within State government, the thing that we are
22 doing is very critical, in my first preliminary look is
23 missing at the moment.

24 MR. EVANS: If I could, Madam Secretary, one
25 point. A lot of what we are talking about up here, a

1 lot of that is imbedded shortcomings, lessons learned,
2 best practices is imbedded in the nature of the
3 document that Dominic of Tax Watch presented to us so
4 we can get it through and understand that embrace it as
5 we go forward.

6 MS. SOUTH: Certainly valid. Yes, sir.

7 MR. AGRAWAL: Madam Chair, thank you. I think it
8 is important, and I think the comments are well taken,
9 but I think it is important not to get wrapped around
10 the axle in the one matter, right. The one here is a
11 form that has information that we are looking for, and
12 if we didn't get a good outcome in the last couple of
13 rounds doesn't necessarily -- I am not saying it is
14 good form or not a good form, side-by-side comparison,
15 the right way to get the value, it is or isn't; but
16 just because we get a good outcome doesn't mean it may
17 be how we executed or how we did the contract, and a
18 lot of other issues are often around it. So I wanted
19 to be -- I wanted to be mindful of the fact that,
20 clearly, a good outcome, which is why the Legislature
21 took the action very specifically in this Council, but
22 I think it is important to look at the form as the form
23 is.

24 UNIDENTIFIED SPEAKER: A small piece of how it is
25 actually utilized, how it is filled out and most

1 importantly what is the expertise that is involved in
2 bringing that to an actionable -- beyond the contract
3 but to an actionable process, and then looking at the
4 results of the business process, I think, is the key.
5 So, you know, I go back to requesting -- just figure
6 out, a State agency -- a program -- a State agency has
7 a need, so what do they have to do? They go to who?
8 Depending on the size of the requirement, right? And
9 there is also a distinction that is being drawn out in
10 the language here between a contract and an outsource,
11 right? So if it's a contract, it is outsource, will go
12 a different path, so with distinction, right, and I
13 think we have got some definitions. But what's the
14 plain language for the program that provides -- that
15 runs the clinic in the county health department? I
16 mean, what is the issue? I'd really like to see some
17 clarification on that.

18 MS. SOUTH: That is going to be a great task for
19 us to look at next time. I am looking forward to that.
20 All right. Any other questions or comments about the
21 business case? I think we have had some clarity about
22 what the Council would like to see next time. Your
23 point is well taken. There is not going to be one
24 process that is perfect, but having the discipline to
25 apply it and use it, having the desire to apply it and

1 use it, that ultimately is the distinction between a
2 project that works and a project that doesn't.

3 All right, looking at the time, we're really right
4 on track. It is about 20 minutes after 11. We will
5 move now on to new business and what the Governor --
6 thank you, Rob. The Governor has asked our group to
7 take a look at three large outsourcing projects that
8 are currently under way, for the purpose of lessons
9 learned and dissemination of those lessons learned in
10 the expectation that future contracts will not be
11 burdened with some of the challenges that we have as we
12 operate those.

13 The three projects that we were charged in looking
14 at, People First, which is the transactional tool used
15 by Department of Management Services to help the State
16 agency administer their human resource transactions.

17 The second is My Florida Marketplace, which is a
18 DMS product used to -- it's an electronic tool for the
19 State procurement process, the vendor management role;
20 and the third is Project Aspire, which is in the Chief
21 Financial Officers's office to, to take care of the
22 accounting system.

23 Have I properly said that? So at this point,
24 Rich, I am going to ask you to take this discussion and
25 tell us where you're at with those.

1 MR. RAMOS: Yes, ma'am. We began the process as
2 tasked by looking at People First, which was asked of
3 you was to be the first issue to look at.

4 I would share with you -- I will walk through what
5 we have done on the project to this point. For People
6 First, we identified project components that were
7 relevant to assessing the current status of the system
8 and services on the contract with convergence and
9 evaluate feasible future alternatives, to collect
10 relevant data, interview key projects of DMS staff, the
11 project managers, the department secretary, general
12 counsel.

13 We have reviewed all available procurement and
14 requested documents relating to monthly status and
15 performance reports. We have problem resolution,
16 reviewed all the available audit reports, and I can
17 share with you, there were a lot of them. Quite a bit
18 of information is out there on this project. Research,
19 states of similar size and states undertaking -- we
20 have reviewed document from the industry and trends in
21 HR outsourcing, review strategies being developed
22 currently and utilized by the project managers, at that
23 time DMS, as he goes forward on the project, as he has
24 been working on it.

25 I can share with you David Desalvo, who is the

1 project manager, has been incredibly excellent to work
2 with, sharing with us a lot of what is needed and what
3 changes might be needed to make the system work better.
4 And I think that if I may, I need to just interject
5 slightly the one thing that is really key is there
6 isn't a lot of gnashing of teeth. It is a point of
7 simply looking to solve the issues that are at hand to
8 make the Florida worker feel and the retiree and all
9 those individuals using the benefit that the system is
10 going to work for them to the best of its ability.

11 The People First project components that were
12 investigated also include, include a business case
13 procurement and proposal, contract and scope of work,
14 project resources, requirements and functionality,
15 staff transition, implementation, communication, and
16 management maintenance and support, configuration, and
17 enhancement and problem resolution, customer service
18 and future needs. The analysis is ongoing in close
19 coordination with DMS.

20 The other two projects, My Florida Marketplace and
21 Project Aspire, we've not begun the process of looking
22 at those. I will share with you, People First has --
23 again, there is a great deal of information out there,
24 and for those individuals who are in the private sector
25 who do not access the system, we would like to -- at

1 some point, the project manager on this end, on My
2 Florida Marketplace has offered the opportunity to sit
3 down and walk you through the entire process, because
4 there's a lot of different components to it; and,
5 therefore, at any point they are happy to sit down and
6 actually go through the entire step-by-step of what is
7 the different assets that the system has.

8 And in the case of People First, there's also what
9 they call almost like a super password which would
10 allow an individual to, believe it or not, if you
11 access from super password, you could change Governor
12 Crist's salary if you would like. That is a super
13 password.

14 MS. SOUTH: That is a way too powerful a password.

15 MR. RAMOS: And, again, as we go forward and make
16 the decisions, I would say that there's a bit of
17 foreshadowing involved as to what was mentioned
18 earlier, because you're absolutely right, when --
19 Secretary Benson, when you get to the issue of what's
20 done appropriately or not appropriately, and I have had
21 this discussion again with some of you. If someone
22 develops a really great idea forward, a business plan,
23 and came into your CFO when you were a Bank of America
24 and said I need \$75 million, I don't have a business
25 plan, but it is up here and really great ideas.

1 MS. SINK: Right.

2 MR. RAMOS: I don't think that person was going to
3 get any money, and the problem is in the past, some
4 projects in the state have not had the best business
5 plans, in some cases didn't have business plans, and
6 they are allowed to move forward. So I think that's
7 where there is a scary component to things, and I think
8 as we look at these ideas, as we develop them, the
9 reality is we need to be begin -- sound fundamental
10 business practices needs to be the foundation for all
11 the projects that go forward, and I think that is what
12 we are taking out of this exercise.

13 We are looking at what has not been done
14 appropriately, potentially looking at how we can apply
15 those learned lessons, so if in the future there is a
16 \$250 million program regarding X, we know that we need
17 good lawyers who specialize in that field. We know
18 that we need individuals who are going to look at the
19 needs that need to be met, and hopefully provide a
20 clear delineation of what are the responsibilities of
21 the State, what are the clear responsibilities of the
22 private sector, and how do you merge those together?
23 And I think that's where we come away with this
24 research, and I think we are coming along very well.
25 And I believe, certainly, by the next time we get

1 together, there can be a clear report to you on at
2 least People First, and then certainly moving forward,
3 and I look forward to working with the CFO's from time
4 to time on the Project Aspire because I know your
5 office has already begun a look into that aspect of it.

6 MS. SOUTH: Questions? Comments?

7 MR. EVANS: I was just going to mention, Rich, I
8 would love before the next meeting to have the
9 opportunity to drill down through that with you or your
10 staff.

11 MR. RAMOS: Absolutely.

12 MR. EVANS: Thank you.

13 MR. ZINGALE: I'll get disciplined. It is so much
14 better to sit on this side of the table than that side.

15 MS. SINK: You like it up here.

16 MR. ZINGALE: CFO Sink will slam me around pretty
17 good if I am not doing it appropriately because it is
18 right to ask somebody else to do the work. I am still
19 hunting a user of the system and a fairly big user of
20 the system to say, yeah, there's a contract out there,
21 we need to look at, we need to figure out where we are
22 going. But I am still hunting for what a world-class
23 HR system looks like.

24 I think maybe we can't afford it, but if we don't
25 step back in terms of where we want to be ten years

1 from now and say: What in the world does a class HR
2 system look like? Okay, then we are not going to be
3 able to look at where we want to be a year from now,
4 two years from now and five years from now and see
5 where we are going with our HR system.

6 The system that we are getting today is not a
7 finely tuned system, that is what we are dealing with.
8 We are all frustrated at the time, leave, and
9 attendance system. You can have an excellent time,
10 leave, and attendance system and not have anywhere near
11 a world class HR system, if we don't reach out, and
12 there's a number of them. I mean, you can have people
13 that believe this is one of the major elements of a
14 world-class HR system, but it involves evaluation. It
15 would involves the hiring process. It would involve
16 the compensation system. It would involve an awful lot
17 of what it takes to have a world-class H R system on
18 both the salary and the benefit side, and I don't know
19 if that contract as currently written is fully executed
20 perfectly, would have anywhere near a world-class HR
21 system.

22 I don't know what the thrusts are, what we are
23 supposed to looking at in that area. Are we just
24 looking back and seeing what broke where? Are we
25 trying to say here is where we need to be ten years

1 from now? Okay, and then lay out that plan. And
2 moving forward, if it's the latter, then we do need in
3 that briefing some ability to look at here is what we
4 are contracting for, here is what is to be delivered.
5 Here is what we need. And if we don't have that gap in
6 between what we are asking for in the contract and what
7 we need, then we are going to be recommending a less
8 than optimal -- so look to whoever going to follow
9 through on our recommendation in the future.

10 MR. RAMOS: If I may, one of the issues that, in
11 being able to have the foresight and hindsight is the
12 ability to turn around and look at what has been done
13 in other instances. And I can share with you -- and
14 what I am about to say may not sound great -- even in
15 reviewing private corporations who have attempted to
16 implement HR systems, many of them have had a lot of
17 problems. I mean, HR is a very difficult system to
18 implement, and that is one lesson, in reading a lot of
19 different reports, that the only difference is because
20 we are a government, because we are in the sunshine, it
21 is reported.

22 A private corporation kind of hides a lot of what
23 takes place, and that's been one of the factors that
24 have come out. A number of companies started going in
25 one direction and actually did an about-face and went

1 the other way. And I think what we hope will happen
2 with this, as I understand our charge and what I
3 believe we are learning, if there is something we need
4 to have, we need to have it done well because this is
5 probably the most important component of what happens,
6 because this deals with every single employee and
7 retiree in the state of Florida. And so, therefore, if
8 they are not getting the services, well, that it is a
9 good system, I think that is the most important
10 component, we understand that, and we do it to the best
11 of our ability. So that is what I think we are tasked
12 with, and hopefully by learning this, seeing
13 comparisons of even some other states that have
14 attempted this process to see what the best way to go
15 forward would be.

16 MR. ZINGALE: Just a small evidence, I believe 100
17 percent of what you said. This is a service that we
18 provide that all of my 5,300 employees know what their
19 benefits look like; they know on a daily basis, you
20 know, how it is serving them.

21 On the other hand, I have got to manage 5,300
22 people, okay, and I need an information system in a
23 modern world today to say how you manage 5,300 people,
24 and we can be serving those employees fine. And at the
25 head of the organization, the Governor may not have the

1 information in front of him to make the kind of
2 decisions we need to make. So it's got to not only
3 serve the needs of the individual, but it's also got to
4 serve the needs of the overarching organization, and
5 that is what I haven't seen reflected, what is the
6 information system we need to manage government off of,
7 that when I go into my private sector friends and
8 counterparts, they can deliver daily the kinds of
9 information I would love to see, and I can't get it,
10 and I don't see it is been being asked for in the
11 contract.

12 MS. SOUTH: Dr. Zingale, I very much encourage you
13 to make sure you answer our customer satisfaction
14 survey. We are evaluating how we receive contracts. I
15 would love your comments. I would say that People
16 First's tool was a transactional tool versus a global
17 human resource management tool; and, unfortunately, it
18 is my opinion it has supplanted HR initiatives
19 throughout State agencies to our great detriment, and
20 that must change. I pledged to the Governor in my role
21 as Secretary I would do that. The People First
22 contract stands in my way in a very big way, and we are
23 going to fix that some way, although how that fits
24 within the role of the Council is not quite clear to
25 me, but certainly must be done. Secretary Benson.

1 MS. BENSON: Thank you, Madam Chair. I am
2 concerned about something in our review of these
3 contracts. It sounds like we are in the direction of
4 reviewing contracts that currently exist and maybe even
5 developing revised business cases so we could renew
6 their share of the contracts in the future. That -- I
7 mean, that is the sense -- I mean, when I listen to
8 Dr. Zingale, and you say we are not really satisfied,
9 but you're currently bound by a contract, looking to
10 renegotiate the contract with the vendor? Or what -- I
11 mean, were we reviewing these so we can negotiate
12 better contracts in the future? Are we reviewing these
13 so we can change the terms of the contract?

14 MS. SOUTH: No, I don't expect the Council of
15 Efficient Government to take over that role, for that
16 is certainly not a delegated duty. The role of
17 Efficient Government is to codify lessons learned so we
18 don't replicate them, because as you can see, when all
19 of us sitting up here have pain -- I know you do, I
20 know I do -- pain in executing or in operating
21 contracts for products that aren't meeting our needs,
22 and I can tell you that the contract terms I am
23 operating under don't need to ever happen again, and
24 how we make sure that doesn't happen again, I am not
25 sure.

1 This doesn't -- personally, when I am not here, I
2 want to make sure it is so engrained in the Department
3 of Management Services there won't be a contract
4 executed that doesn't have these elements and
5 protection is clearly, clearly in place.

6 MS. BENSON: For a follow-up, Madam Chair, what we
7 need to be reviewing is flaws in the process rather
8 than flaws in your particular contract, so we may not
9 be able to satisfy Dr. Zingale's needs of actually
10 having something that is a useful tool for them.

11 MS. SOUTH: That is my job, but we'll take care of
12 that.

13 MS. BENSON: I just wanted to check --

14 MS. SOUTH: Thank you. All right. Other
15 comments? Moving along, Rich, you have other issues
16 you want to talk to us about?

17 MR. RAMOS: Yes, ma'am. I included a tab
18 regarding legislative updates, and I don't know whether
19 we wish to, you know, get into a lengthy discussion
20 about legislation. I put that in there because -- just
21 so you know the staff is monitoring the legislative
22 activities this session.

23 There are a couple of pieces of legislation that
24 address -- one particularly addresses our powers, per
25 se, just so you're aware. Again, we can go into a

1 lengthier discussion if you so desire, but it is there
2 for your review.

3 We have been in constant communication not only
4 with the Director of Legislative Affairs with the
5 Governor, with the Office of Management Budgets, as
6 well as, certainly, DMS legislative staff, as I -- as
7 our Council is administratively housed in DMS. So,
8 therefore, we have been working together in monitoring
9 everything.

10 Again, if you wish, we can certainly go to a
11 lengthier discussion, but that is really your call.

12 MS. SOUTH: I had asked Rich to ask you as Council
13 members would you, you want to understand the
14 legislative process.

15 Now, those in the center part here, this is part
16 of our life, and we are familiar with the legislation
17 that affects our agency. But we want to ask the
18 private sector members the extent to which you have
19 been briefed or engaged or at what level ongoing
20 legislation -- my comments were to Rich, we all read
21 this as part of daily life. It isn't really of
22 interest to you if you go outside Leon County.

23 MR. EVANS: I would like to, from my standpoint,
24 and I would like to understand some, some of
25 implications that are embodied in some of this

1 legislation.

2 We don't have the time to go through and try and
3 ferret it out, so to the extent that you can help us
4 understand the implications that are embedded in the
5 legislation as it relates to the mission of this
6 Council through e-mails.

7 MS. SOUTH: What I am hearing, you would like a
8 bill analysis with a particular emphasis on the work of
9 the Council.

10 MR. EVANS: Specifically.

11 MR. AGRAWAL: I think summary level, to the extent
12 it goes past what we are trying to accomplish here, I
13 think it would be of value, and certainly to the extent
14 that something doesn't make sense, we certainly would
15 like to voice our opinion in private outside of the
16 Council; and to the extent that does makes sense, we
17 would like to voice our opinion on that as well. It
18 would be great to have some sort of analysis toward
19 that end.

20 MS. SINK: Just for purposes of -- see things on
21 here that I view as alarming. But I have been back to
22 our legislative affairs staff and see if we can follow
23 some of these bills, and we are at the point when the
24 first question is: Are these specific bills really
25 going anywhere? Are they not going anywhere? Because

1 we all -- Secretary Benson, you can help us more
2 because you have been in the Legislature. You can't
3 get too bent out of shape about some things because
4 they are just not --

5 MS. SOUTH: What you are saying goes back to
6 the --

7 MS. SINK: I am going back and personally follow
8 up a few of these things.

9 MS. SOUTH: I am sure Rich would be glad to
10 provide information to you. Okay. All right. Thank
11 you.

12 MR. EVANS: If I could mention one other thing,
13 Secretary. Rich, I am looking under House Bill 1557,
14 there's a couple of issues that could have direct
15 impact on what we do, or else do we have an opinion as
16 we make a recommendation to outsourcing procedures down
17 the road. Look at the Agency for Enterprise
18 Information Technology. What is the role and mission
19 of that? That would be very helpful for us to know, as
20 well as, where is the SDO going down the road and how
21 that is going to be interacted across to make sure we
22 have enterprise views of many of these outsourcing
23 contracts. Does that makes sense?

24 MR. RAMOS: Absolutely, absolutely, and I will be
25 happy to do that. We have, we have been doing detailed

1 analyses and so to get that to you is a very quick
2 turnaround, and we have done some side-by-sides and how
3 they sit with respect to the current legislation, and
4 how the pending legislation might change that or where
5 the differences lie, so I can get that to you by the
6 end of business today.

7 MS. SOUTH: Move on to your incubator items.

8 MR. RAMOS: Yes. It was interesting earlier, we
9 have simply termed them incubator items, that is what
10 it is. Some thoughts that have come in, whether I have
11 been meeting with Council members or discussion among
12 staff, or as we have as a group, it has come together
13 simply by the name Office of Efficient Government.
14 People have contacted us and said this would be a
15 really great efficiency, so think about it. And what
16 we did is we listed those out.

17 One of them I -- frankly, I brought to the table,
18 which was a travel management idea, which has bothered
19 me since I started in State government four years ago.
20 But there are others. There are 3-1-1 and the whole
21 concept of an individual being able to contract the
22 State through one resource center and get the
23 information they require, so that is another area.

24 Bio-energy, again, whether we look at this or
25 whether we simply take that recommendation, and one of

1 our statutory responsibilities is moving forward and
2 providing a recommendation to both houses of the
3 Legislature and to the Governor on an annual basis on
4 ideas, recommendations that we might want to consider.
5 Management, that was another that foreshadowed that
6 Secretary Benson had mentioned and something we had
7 talked about, the question of whether or not in some
8 instances when you have specialty contracts, special
9 areas, there are attorneys who are paid a very handsome
10 sum of money because they are specialists in this. So
11 when the time comes to negotiate this contract, we have
12 the absolute best people representing the State of
13 Florida, as these companies on the other side of the
14 table certainly are going to have the best lawyers
15 representing them.

16 I understand and in conversation and certainly in
17 research, that the best contract is the one where both
18 parties stepped away from the table feeling they both
19 came away with something. We can't have one party or
20 the other feeling that they have been somehow wronged
21 because from day one, the contract will fail if that is
22 the outset and going forward. And so that is an issue
23 I would like to talk about, and I would share with you,
24 I've had conversations briefly with the Governor and
25 general counsel who has been willing to participate and

1 a number of other people, so we have some active
2 buy-in. Ironically, on the travel side, the Governor's
3 office offered someone else to begin a Guinea pig to
4 see how can best to serve on travel to save money for
5 State of Florida and potentially go forward on that
6 issue. Leasing of buildings, a large asset, then the
7 aging of the workforce. Councilman Agrawal brought
8 that to me. If you wish to address it, you can
9 mention, Council members, the specific facts you're
10 aware of on that issue.

11 MR. AGRAWAL: I will be happy to. I appreciate
12 your putting it on here because it is certainly
13 something that I think is worthy of conversation, and I
14 will plead ignorance up front in not understanding
15 State government enough to know if anybody is even
16 thinking about this issue.

17 I think there is a clear gap that is starting to
18 show itself, and I think it is going to continue to
19 grow as we move forward as more and more of our
20 workforce in State government retires and leave with
21 the corporate knowledge, I guess you would call it,
22 government knowledge or historical knowledge and
23 expertise in the context of doing their jobs as they
24 exit the workforce, and there really is a large, a
25 large difference, if you will, it's a go bindable

1 distribution two humps full, and I've not found
2 anything about it from the State, and I have asked
3 several people to give me a breakdown on the population
4 of the employees in the State by age, by department,
5 and just give me an idea of what, what the gap is. A
6 lot of this is based on national data in government,
7 and I know -- I was talking to the chief technology
8 officer for the State of Minnesota, who is the
9 immediate past CFO for the White House that just moved
10 back to Minnesota to specifically work on this problem
11 there, because what they are doing, I think, is an
12 interesting sort of solution, which is they are trying
13 to figure out a way to transfer the knowledge of -- the
14 corporate knowledge, the historical knowledge that
15 exists in the retiring workforce in through a
16 technology process solution so that it is more widely
17 available.

18 I don't know that's the way it goes for us, it is
19 or it isn't, but it is an interesting solution they are
20 implementing. But either way, at someplace in the
21 State government in the State of Florida, we need to
22 figure out what -- a way to capitalize on the knowledge
23 base that exists within our retiring workforce and
24 figure out a way to transmit that either to our, our
25 younger workforce or into some procedure system that

1 allows us to be able to continue to efficiently operate
2 the government without having to pay for lessons -- if
3 you will, it to gets back to the efficiency that we
4 are. So instead of going forward, we run the risk of
5 going backward and going backwards quite significantly.
6 So it is an issue that I think it warrants conversation
7 and discussion.

8 I know in our business we spend a lot of time, we
9 talk about knowledge process, outsourcing business
10 process, outsourcing and making sure we transfer that
11 knowledge, and we spend a fair amount of money in terms
12 of human resource training, making sure we bring
13 people -- like even when our businesses aren't
14 expanding, to make sure there is a second round of
15 management that exists. But I have not seen that in
16 government and don't believe interaction and certainly
17 on a national level is an issue with other states'
18 government and the federal government, so I would like
19 to bring it to the Council's attention.

20 I think I had talked to Richard probably well over
21 an hour on this issue in terms of -- in your initial
22 conversation. I think it is something that needs to be
23 addressed; and if it is not addressed here, at least I
24 can see the Council forwarding the right forms, and it
25 does needs to be addressed by the State at some point.

1 MS. SOUTH: It is a very valid issue. Let me
2 address a couple of issues. First of all, the Council
3 For Efficient Government, I don't know that addressing
4 that aging workforces issue is a charge of this
5 Council, so I am extraordinarily interested in that,
6 and you'll find out why in just a second. I am not
7 sure that is -- that given our other tasks, that is
8 going to find a base, quite frankly, but let me do
9 several things.

10 First off, there is the Agency for Workforce
11 Innovation, which is responsible for the development of
12 the public workforce system, and there is a great deal
13 of data that is available through them. The Workforce
14 Florida board has quite a lot of information.

15 There is a recently released from the federal
16 government GAO report on the -- did you see the report?
17 I considered that same type of report for the state of
18 Florida. Frankly, I don't believe we'll find any
19 trends different in Florida than the Feds. So as the
20 Secretary of Department of Management Services
21 responsible for human resource management enterprise
22 wide for the state, I would be taking JAO report as
23 empirical data about the challenges we face. One of
24 the things I have available in my shop, I have not
25 filled yet is the position of chief learning officer,

1 whose role is to codify in some way the role of the
2 tribal elder as we transfer knowledge from one, one
3 group of people down to the other. In addition to the
4 fact we need to do that, the downside is there is
5 simply not enough people to do that. I mean, if you
6 looked at the population of us boomers, we are going to
7 pay, get in sooner or later. How do we make sure the
8 knowledge we carry out the door gets down and codified
9 in there. So having a contents management system of
10 some sort, learning a management system of some sort, I
11 have not seen a real -- I haven't seen evidence of that
12 here in the State. But it is particular to me as part
13 of my professional background.

14 MR. AGRAWAL: If I could as follow up. If, if it
15 makes sense, at DMS, you're going to spend State
16 resources, strictly from the efficiency viewpoint, on
17 solving the problem at DMS. Wouldn't we want somebody
18 to look at an enterprise level and look at it across
19 the entire state at the same time? I know I'm being
20 argumentative. I am just throwing it out for
21 consideration.

22 MS. SOUTH: I have a dual hat, which is kind of
23 cool, because I have to run my agency, which is like
24 everybody else does, like any other business, it's got
25 human resource responsibilities. But our product line,

1 our business line, is an enterprise-wide system, so I
2 have to do it for us inside first and then propose it
3 enterprise-wide, and that is exactly my plan. I have
4 already discussed it with the Governor's office, and
5 this, this Fortune 50 organization that we are in
6 charge of taking care of needs the same kind of
7 practices that IBM has. You folks certainly are
8 pioneers in that, so.

9 MR. EVANS: Go ahead.

10 MR. ZINGALE: We do have that data for revenue in
11 that we manually pull it out, and we have our profile.
12 Am I allowed to e-mail it down there?

13 MR. RAMOS: I think you would have to send it to
14 me, and I can certainly make it available information.

15 MR. ZINGALE: It's a snapshot of a decent size
16 organization in terms of where those problems are. A
17 lot of spreadsheets -- the one trend that we have
18 observed in ours that doesn't leap out at you at the
19 national level is our inability to retain young people.
20 So it is not just losing on the other end. Our pay
21 structure doesn't allow us the ability to attract young
22 people into the government.

23 MS. SOUTH: And keep them.

24 MR. ZINGALE: It is revealed in our data. I will
25 e-mail it to you, if you would like to have a copy of

1 it. It does show why one agency looked at.

2 MR. EVANS: I think brings up a good point. I
3 know we are all faced with this aging work force has a
4 very dramatic impact, very hard across all enterprises
5 and all industries. If we recognize Rich, it might be
6 appropriate just to recognize this point, because this
7 is one of the -- this is one of the stronger motivating
8 factors, why outsourcing is getting such a hard look
9 across the country and across the world, for that
10 matter, is recognizing the depletion of knowledge and
11 resources that's going on, and recognizing that we have
12 an increasing number of jobs and a number of resources
13 coming in to fulfill those jobs.

14 It is also -- I am watching around the country a
15 lot of outsourcing contracts, as something -- when they
16 get into retractable negotiations, a few kinds of
17 subcontractors, what kind of -- what kind of process
18 they put in place to recognize the real thought
19 leadership that is embedded in the agency or the
20 organization. They can make a part of the contractual
21 relationship as we go through this two- to three-year
22 evolution of contributing out-services. It would be a
23 great place for the State of Florida to look.

24 MR. ATKINSON: Opposed to just losing this all of
25 sudden, so just as appointed --

1 MR. AGRAWAL: Ultimately, I think, our technology
2 plan has got into it, and one of the facets, I think,
3 across the entire enterprise -- I am not sure what the
4 right -- Madam Secretary, I clearly defer to your
5 judgment as to my forum to raise the issue, but I think
6 it is an issue that was worth --

7 MS. SOUTH: Absolutely.

8 MS. SINK: I will jump in and say, as I have been
9 here a couple of months, I have kind of walked around
10 to visit one of my departments yesterday and was struck
11 by the people there are -- have been here 25 years. I
12 have been here 18 years. It was just, I would say, 90
13 percent of the people were probably 45 years of age and
14 older, and maybe one or two young people, and so I am
15 simply a person in the private sector who can have
16 influence over the thinking of how we manage our state
17 government could weigh in and maybe have some influence
18 upon forcing us to think about this aging workforce.
19 And when you -- Secretary Benson, when you were talking
20 about your lack of lawyers who have contract
21 experience, you know, I have a 30-year general counsel
22 who has a wealth of institutional knowledge, and I told
23 him that one of his assignments is that he's got to
24 groom his successor. But when you work for 30 years in
25 State government, you have that kind of legal

1 experience, and you make \$120,000 dollars a year, it's
2 hard to attract young people and to work for the kind
3 of salary levels that we offer. And the reason that we
4 are lucky, I think, to have these senior, experienced
5 people is because they are nearing their retirement,
6 and the pension benefit, the pension plans are good.
7 The benefits are good, so they have an incentive to
8 stay on at this point, but that the young person
9 probably does not have because there are too many other
10 opportunities to go and out into the private sector for
11 triple the amount of money that I see in our
12 compensation schedules.

13 MS. SOUTH: These are very valid comments, and I
14 appreciate hearing from them as we go about looking at
15 our compensation packages and making recommendations or
16 how we address the recruitment and retention.

17 MS. SINK: I do agree it belongs some other place
18 besides here, I do agree with you.

19 MS. SOUTH: It does need to be done. All right.
20 Is there any other item the members would like to put
21 on the table? We have about five more minutes left.

22 MR. ZINGALE: Just a quick one. I took my notes
23 in terms of what I'm supposed to be doing, but can we
24 get the status, after looking at the minutes of the
25 list of things you are asking us to do, so I can make

1 sure I do everything?

2 MR. RAMOS: Absolutely. And if I may, we'll be
3 happy to house your notebooks and then provide them to
4 you so you don't have to worry about carrying them back
5 and forth from the meeting. We'll hold them, I believe
6 at our offices for you.

7 MS. SOUTH: I think I might hang onto mine for
8 reference. Put it by my bed. All right. Hearing no
9 other, this meeting adjourned.

10 (The meeting adjourned at 11:55 a.m.)

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C E R T I F I C A T E

STATE OF FLORIDA)
COUNTY OF LEON)

I, SUSAN WILLIS, RPR, RMR, CRR, Court Reporter at Tallahassee, Florida, do hereby certify as follows:

THAT I correctly reported in shorthand the foregoing proceedings at the time and place stated in the caption hereof;

THAT I later reduced the shorthand notes to typewriting, or under my supervision, and that the foregoing pages 2 through 84 represent a true, correct, and complete transcript of said proceedings;

And I further certify that I am not of kin or counsel to the parties in the case; am not in the regular employ of counsel for any of said parties; nor am I in anywise interested in the result of said case.

Dated this 12th day of April, 2007.

SUSAN WILLIS, RPR, RMR, CRR

Court Reporter and Notary Public

State of Florida at Large

