

Wyoming Spending and Government Efficiency Commission
2019 Report to the Governor, Management Council and the Joint
Appropriations Committee

Commission Activities and Recommendations

Commission Membership:

Senator Drew Perkins, Chairman
Representative Jerry Obermueller, Vice-Chairman
Senator Larry Hicks
Representative Joe MacGuire
State Auditor Kristi Racines
Cincy DeLancey
Kim Love
Carter Napier
Lachelle Brant
Gail Symons
Patricia Bach (non-voting)
Gordon Knopp (non-voting)

November 30, 2019

List of Acronyms and Abbreviations

Alvarez and Marsal	Alvarez and Marsal Public Sector Services, LLC
A&I	Department of Administration and Information
Commission	Wyoming Spending and Government Efficiency Commission
Efficiency Account	State Savings and Efficiency Initiatives Account
ETS	Department of Enterprise Technology Services
FY	State Fiscal Year (July 1 – June 30)
JAC	Joint Appropriations Committee
K-12	Kindergarten through Twelfth Grade Public Education System
LSO	Legislative Service Office
LSRA	Legislative Stabilization Reserve Account
PMO	Project Management Office
RFP	Request for Proposal
SAO	State Auditor's Office
SF 120	2018 Senate File 120 (2018 Laws, Ch. 112)
SF 156	2017 Senate File 156 (2017 Laws, Ch. 183)
WCCC	Wyoming Community College Commission
WDE	Wyoming Department of Education
W.S.	Wyoming Statutes

Executive Summary

This report represents the second report required by 2018 Senate File 120 (2018 Wyoming Session Laws, Ch. 112; hereinafter referred to as SF 120) and summarizes both the 2018 and 2019 activities of the Wyoming Spending and Government Efficiency Commission (Commission). Information for 2018 has been abbreviated in this report to provide adequate continuity and context without redundancy. The full 2018 report may be accessed online: [2018 Interim Report on Activities and Recommendations](#).

Pursuant to SF 120, the Commission's goal was to identify new savings and efficiency opportunities for Wyoming state government and to study and monitor the implementation of various efficiency projects. SF 120 also required the Commission to work with the Governor's Office and State efficiency consultants, monitor expenditures from the Efficiency Account (\$10 million appropriated from the Legislative Stabilization Reserve Account (LSRA)), and provide multiple reports summarizing its activities and recommendations to the Governor and the Legislature's Management Council and Joint Appropriations Committee.

The Commission met three times each in 2018 and in 2019 and received documents and testimony from numerous State agencies, the State's efficiency consultant and project manager, school districts, and the public. The Commission issued its 2018 Interim Report on Activities and Recommendations on November 30, 2018. Based on stakeholders input through 2019, the Commission now provides the following combined list of 2018 and 2019 recommendations and continuing actions for government efficiencies and savings in the state:

2018 Recommendations

Further detail and explanation of these recommendations can be reviewed in Section 2 of this report.

1. All agency efficiency recommendations and initiatives should be incorporated into the Project Management Office's (PMO) workstreams for coordinated and comprehensive tracking and continuous monitoring by the Commission. The Commission also recommended two additional workstreams directly related to potential future legislative changes.
2. The Legislature's Joint Appropriations Committee (JAC) should utilize findings and recommendations related to agencies' span of control and associated organizational charts developed for the Department of Administration and Information's (A&I) 2018 Span of Control Study.
3. The Legislature's Management Council and JAC should continue to consider statutory changes related to K-12 education efficiencies.
4. Strategic sourcing should be implemented across the state government enterprise, to the maximum extent possible.

2019 Recommendations

Further detail and explanation of these recommendations can be reviewed in Section 3 of the report.

1. The State should consider for further and full implementation a portfolio of nineteen (19) efficiency items/projects, drawn from the State efficiency consultant Alvarez and Marsal Public Sector Services, LLC's (Alvarez and Marsal) Wyoming Government Savings and Efficiency Project final report, dated January 18, 2019 (and as amended June 3, 2019).
2. The Governor should consider issuing an executive order providing procurement and purchasing enforcement authority for A&I's Procurement Section to promote greater use of broad-based and strategically sourced vendor contracts with limited, justifiable exceptions.
3. The State Auditor's Office (SAO) should collaborate with A&I's Human Resources and Budget Divisions to pursue a cost-effective Human Resource Information System.
4. The Governor should continue his effort to incorporate past and current efficiency recommendations within FY2021-2022 biennial budget requests. Further, the Legislature should strongly consider actions necessary to effectuate efficiency recommendations within the established portfolio as well as for any other identified efficiencies that can be sufficiently measured, and cost savings/avoidance verified.
5. Legislative standing committees, or other select committees or task forces as determined necessary by the Legislature, should review in detail and consider recommended legislative actions related to the Commission's recommended portfolio of efficiency items/projects, and initiate legislative changes deemed appropriate to facilitate their implementation.
6. The Governor should identify and designate internal State government resources to assume the PMO duties of Alvarez and Marsal as the central coordinating entity to oversee, track, and monitor current and future State efficiencies.
7. The Commission's sunset on June 30, 2020, as specified in SF 120, should remain in place. Continued work on statewide efficiencies should be maintained through traditional communication channels between the Governor and the Legislature.

As originally noted in the 2018 Commission report, the Commission continues to believe a long-term partnership with the Governor's Office is integral to planning for, implementing, and assessing the impacts of efficiencies adopted by the State in the upcoming FY2021-2022 biennium and beyond. The State will continue to need an organized project management focus to track and evaluate both cost savings and operational efficiencies over time. With end of the contract and departure of the State efficiency consultant, it will be key for the Legislature and State agencies to integrate and incorporate efficiency projects and practices into regular operations and budgets for continued long-term success.

Section 1. 2017 Background:

The Legislature originally established the Commission during the 2017 General Session with the passage of 2017 Senate File 156 (2017 Wyoming Session Laws, Ch. 183; SF 156). The 2017 Commission's core goal was to obtain an estimate of the amount of potential future cost savings and operational efficiencies that could be achieved in State government. The 2017 Commission assisted the Governor's Office in selecting an efficiency consultant to conduct an initial study of efficiencies and potential savings for the State. The Governor contracted with consultants Alvarez and Marsal to conduct this initial analysis.¹

After receiving the initial report from Alvarez and Marsal, dated November 6, 2017, the Commission issued its November 30, 2017, final report, which included five recommendations:²

1. Creation of a project management office to implement identified efficiency initiatives and coordinate further study of efficiency in the State;
2. Integrating technology across State agencies, including further study of regional services centers for school districts;
3. Creation of a Governor's Grants Office to pursue and better coordinate federal reimbursements, matches and other funding opportunities;
4. Implementation/expansion of shared services throughout State agencies (including human resources and financial systems);
5. Conducting a statewide organizational/line of service review to reveal overlapping responsibilities and assure that appropriate and efficient organizational and managerial structures are utilized.

The 2017 Commission recognized several other efficiency options for future consideration, including:

1. Increasing staffing levels for key audit and tax collections agencies;
2. A strategic sourcing review within the State's procurement system;
3. Establishing a Governor's "Ideas Festival" to incentivize state employee teams to develop and implement efficiency initiatives;
4. Encouraging the Department of Health to continue its work to address Medicaid errors and implement system improvements.

Overall, the 2017 Commission recommended efficiency efforts be continued and funded through FY2020. The Wyoming Legislature adopted several of these recommendations during its 2018 Budget Session.

¹ 2017 SF 156 appropriated \$300,000 from the LSRA for contracting purposes.

² The 2017 Commission's full report can be accessed at the following link: [2017 Final Report on Activities](#).

Section 2. Summary of 2018 Commission Activities and Recommendations:

During the 2018 Budget Session, the Wyoming Legislature continued and expanded the membership and mission of the Commission through the passage of 2018 Senate File 120 (2018 Wyoming Session Laws, Ch. 112; hereinafter referred as 2018 SF 120). Whereas the 2017 Commission was composed of six (6) members, including two legislators, the current Commission is composed of twelve (12) members appointed or authorized as follows:

- Five (5) members appointed by the Management Council of the Legislature, of whom one (1) is from the private sector and two (2) each from the Wyoming Senate and Wyoming House of Representatives;
- Four (4) members appointed by the Governor, of whom two (2) are from the private sector and one (1) is a member of the Governor's staff;
- The State Auditor, or the Auditor's designee;
- The Director of the Department of Enterprise Technology Services (ETS; also, the State Chief Information Officer), or an appropriate designee;
- The Director of A&I, or an appropriate designee.

Each member has voting authority on the Commission except the Directors of ETS and A&I.

In expanding the duties of the Commission, 2018 SF 120 required the Commission to identify new savings and efficiency opportunities for Wyoming's state government. It also required the Commission to monitor and provide recommendations on savings and efficiency activities and to track expenditures from the State Savings and Efficiency Initiatives Account (Efficiency Account) established by 2018 SF 120. The legislation further directed the Commission to work with the Governor's Office and any efficiency consultants retained by the State to keep apprised of new or continuing savings and efficiency opportunities and to make recommendations on new opportunities. Finally, the Commission, which will sunset at the end of the biennium on June 30, 2020, must report its activities and recommendations to the Governor and Legislature by November 30, 2018, and November 30, 2019.

2018 Commission Activities

The Commission held three meetings during 2018: June 19, October 9, and November 13. Refer to **Appendix A** for the meeting agendas. The Commission worked primarily with four State agencies to explore new initiatives and discuss ongoing efforts to study and implement efficiencies related to the 2017 Alvarez and Marsal and Commission reports: 1) A&I; 2) ETS; 3) SAO; and 4) Wyoming Department of Education (WDE). The agencies that presented to the Commission provided extensive explanations of their efficiency work that began in 2017. Included with the testimony and summary reports were numerous recommendations for both administrative and legislative action. Most of the Commission's work centered around cross-agency services and

concerns, such as bulk technology purchasing, human resources issues, agency office space utilization, and upgrades to technology systems, such as the State's uniform accounting system.

Specifically, the Commission concentrated discussions on A&I's review of the ratio of employees/subordinates to supervisors (span of control review), Motor Pool operations review, assessment of agencies' use of State-owned space as well as private office space (space utilization review), and strategic sourcing. The Commission also reviewed the ETS pilot project for bulk purchases of technology hardware, implementation of improved cybersecurity measures, and initial exploration into an enterprise digital or e-signature solution. Related to the WDE, the Commission reviewed initial steps to assess school district special education, transportation, and other efficiency or cost saving measures outlined by the Legislature and Alvarez and Marsal. Finally, the SAO provided updates on its steps to implement a vendor self-service module to streamline vendor registrations, modifications, and payments.

In October of 2018, the Governor renewed Alvarez and Marsal's contract as the State efficiency consultant. Alvarez and Marsal proceeded to identify seven workstreams under which it proposed tracking and evaluating various, individual efficiency projects and initiatives moving forward:

1. Project Management Office
2. Technology Integration
3. K-12 Shared Services for School Districts
4. Shared Services for State Agencies
5. Organizational Line of Service Review
6. Strategic Sourcing Review
7. Medicaid for Special Education Services

2018 Recommendations³

The Commission adopted the following recommendations *in 2018*:

1. The agency actions and recommendations provided to the Commission by agencies during the 2018 interim should be incorporated, to the extent practicable, into the seven workstreams developed by Alvarez and Marsal. To complement the agency actions, the Commission added several project-specific recommendations. Refer to **Appendix B**. Inclusion of both PMO and agency-initiated efficiency projects would allow the Governor and Legislature to assemble comprehensive data on the overall efficiency impact to the State.
2. The Legislature's Management Council and JAC should consider legislative recommendations related to K-12 education, as indicated in **Appendix C** (*in conjunction with the summary table in Appendix B*). Appendix C provides an informal outline of draft statutory changes to show how the legislative recommendations may be implemented. Figure 1, on the next page, summarizes the two additional workstreams to structure and track potential legislative,

³ LSO abbreviated description of recommendations from the 2018 report.

cooperative initiatives and proposed amendments that may impact efficiency projects. These actions should be aligned with and tracked under the Alvarez and Marsal PMO process.

Figure 1. Efficiency Commission Recommended Additional Workstreams

<u>Commission Recommended Workstreams</u>	
8	9
<i>Legislative-State-Local Cooperative Initiatives</i>	<i>Potential Statutory Amendments for Further Review</i>
Recommendations (Lead Agency)	
<ul style="list-style-type: none"> • Early Childhood Program Consolidation (WDE, DFS, DWS, WDH) • Consolidate Schools' Employee Benefit Plans (WDE) • Purchase Transportation Telematics System for Districts (WDE) • Extend Bus Replacement Schedule (WDE) • Repeal Bus Purchase Moratorium: W.S. 21-13-320(m) (WDE) • Review and Possibly Reinststate Wyoming Teacher Shortage Loan Repayment Program: W.S. 21-7-601 (WDE and WCCC) 	<ul style="list-style-type: none"> • Amend Cooperative Service Incentive: W.S. 21-13-331 (WDE) • Amend Transportation Operations and Maintenance Formula: W.S. 21-13-320(j)(i) (WDE) • Amend Cooperative Transportation Incentive: W.S. 21-13-320(g)(ii) (WDE) • Amend Mileage Reimbursement for Special Education Parents: W.S. 21-4-401 (WDE)

- JAC should review the 2018 A&I Span of Control Study and consider the study's findings and recommendations when conducting agency supplemental budget hearings in December 2018, in preparation for the 2019 General Session, and for future agency budget requests. The Commission recommended any agency or departmental reorganization include revisions to organizational charts and span of control considerations with specific justification for any span of control below the targeted ratios. Refer to **Appendix D** for the Commission's letter related to this recommendation.
- Recognizing that the most promising and potentially highest savings area is strategic sourcing, the PMO and relevant agencies should continue gathering and analyzing data to identify potential procurement cost savings across the state government enterprise. The PMO should also identify gaps in state procurement staff professional credentials and training needs and

recommend solutions to reduce or eliminate these gaps. Finally, the PMO should establish a network of Wyoming suppliers (“Team Wyoming”) to solicit feedback on elements of the State’s procurement system that needs modernization and streamlining.

Section 3. 2019 Commission Activities and Recommendations:

2019 Commission Activities

The Commission met three times during the 2019 interim: May 2, July 15, and November 8 (via teleconference call). Please refer to **Appendix E** for the meeting agendas.

At its May 2, 2019 meeting, the Commission received updates from the Governor’s Office, State Auditor’s Office, the State efficiency consultant Alvarez and Marsal, and from numerous State agencies. The Governor’s Office provided a summary of its transition from the Mead to the Gordon administrations and explained that the Governor would digest and act on the consultant’s final efficiency report recommendations, as deemed appropriate. The State Auditor’s Office provided a summary of its transition from the Cloud to the Racines administrations, including the status of previously planned efficiency projects, e.g. vendor self-service module and efforts to develop a transparency website for the State’s “checkbook.” Alvarez and Marsal presented its final efficiency report, dated January 18, 2019, and noted it would be revising information related to its K-12 Shared Services recommendation after consultation with the Governor’s office (this recommendation was revised June 3, 2019 and provided to the Commission at its July 15, 2019 meeting). Please refer to **Appendix F** for the executive summary and portfolio analysis from the final report.⁴ Multiple agencies that engaged with the Commission during the 2018 biennium, e.g. A&I, ETS, WDE provided implementation and progress reports on different efficiency initiatives currently in process. The Commission also outlined its goals for the duration of the interim, including consideration of Alvarez and Marsal’s “portfolio” concept to set out a menu of favored recommendations to guide the State’s short and long-term efficiency efforts.

At its second meeting on July 15, 2019, the Commission discussed efficiency initiatives and projects already acted upon by the legislative and executive branches, including a summary of early savings and cost avoidance results provided by Alvarez and Marsal. Refer to **Appendix G** for a tabular summary of Alvarez and Marsal’s recommendations impacted by the Legislature’s 2018 Budget Session and 2019 General Session actions. Key additional areas of discussion included potential savings for the State from strategic sourcing based on recent experiences at the University of Wyoming, recent experiences by school districts with currently allowable shared services agreements under W.S. 21-13-331, discussion and development of the Commission’s portfolio of formal efficiency recommendations for this this report.

⁴ The full Alvarez and Marsal final report can be viewed at the following link: [Wyoming Government Savings and Efficiency Project, Final Report, January 18, 2019.](#)

The Commission focused substantially on the upcoming budget request process and discussed a three-tiered approach to identifying and funding efficiency items/projects:

1. Recommendations that could be funded through the remaining balance of the Efficiency Account of approximately \$8.2 million;
2. Recommendations that could be addressed within agencies' standard budgets; and
3. Recommendations requiring an agency exception request.

The A&I Budget Division made note of the Governor's budget instructions that require agencies to include, where applicable, efficiency issues and topics within each agency's budget narrative and requests.

Also, at its July meeting, the Commission adopted a portfolio of nineteen (19) efficiency recommendations from the 2019 Alvarez and Marsal final report. The Commission also directed LSO staff to draft letters to both executive and legislative branch participants to begin discussion on implementing these recommendations. These final recommendations and directions are discussed in more detail below.

At its third meeting on November 8, 2019, the Commission considered new information from the Governor's FY2021-2022 biennial budget request, released to the Legislature and public on November 18, 2019. The Commission reviewed its 2019 draft report on "Commission Activities and Recommendations" and provided feedback and amendments to the report. Pursuant to 2018 SF 120, the Commission voted to approve and release its final report, as amended, on or before November 30, 2019.

2019 Recommendations

Upon consideration of Alvarez and Marsal's final report, as well as additional updates, information, and data provided by numerous agencies and school districts during the 2019 interim, the Commission provides the following additional recommendations to the Governor and the Wyoming Legislature:

1. As is appropriate and feasible, the State should consider implementing a portfolio of nineteen (19) efficiency items/projects, drawn from Alvarez and Marsal's Wyoming Government Savings and Efficiency Project final report. Please refer to **Appendix H** for the summary table of recommended projects with Alvarez and Marsal's estimates of future savings and cost avoidance.
2. The Governor should consider issuing an executive order providing procurement and purchasing enforcement authority for A&I's Procurement Section to promote greater use of broad-based and strategically sourced vendor contracts with limited, justifiable exceptions.
3. The State Auditor's Office should collaborate with A&I's Human Resources and Budget Divisions to pursue a cost-effective Human Resource Information System.
4. The Governor should continue his effort to incorporate past and current efficiency recommendations, as much as possible, within FY2021-2022 biennial budget requests. The

Legislature should strongly consider actions necessary to effectuate efficiency recommendations within the established portfolio as well as for any other identified efficiencies that can be sufficiently measured, and cost savings/avoidance verified. Please refer to **Appendix I** for the Commission's letter submitted to the A&I Budget Division.

5. Legislative committees, or other select committees or task forces as determined necessary by the Legislature, should review in detail and consider legislative actions related to the Commission's recommended portfolio of efficiency projects, and initiate legislative changes deemed appropriate to facilitate their implementation. Please refer to **Appendix J** for the Commission's letters submitted to five legislative committees: Management Audit Committee, Joint Appropriations Committee, Joint Revenue Interim Committee, Joint Education Interim Committee, and Joint Corporations, Elections and Political Subdivisions Interim Committee.
6. The Governor should identify and designate internal State government resources to assume the PMO duties of Alvarez and Marsal as the central coordinating entity to oversee, track, and monitor current and future state efficiency efforts and projects.
7. The Commission's current sunset on June 30, 2020, as specified in SF 120, should remain in place. Continued work on statewide efficiencies can be maintained by the Governor and the Legislature.

Section 4. Recent Developments:

Since the Commission's July 15, 2019 meeting, LSO staff sent letters on behalf of the Commission to the five 2019 legislative committees mentioned above to request their consideration of the Commission's recommendations and to begin implementation as soon as possible. Additionally, at its September 5, 2019 meeting, the Wyoming Legislature's Management Council approved a motion to provide letters of support to the committee chairmen to pursue efficiency recommendations within the remaining 2019 interim and to continue their efforts into the new year, as deemed necessary. As of the writing of this report, the legislative committees have had limited time to dedicate to considering the Commission's efficiency recommendations during the 2019 interim. Recognizing these time constraints, the Commission urges these committees to revisit the recommendation as priority topics for the 2020 interim.

Further, on behalf of the Commission, LSO staff requested the A&I Budget Division incorporate efficiency recommendations into the budget process. The A&I Budget Division has since outlined and began implementation of a group of efficiency projects funded through the Efficiency Account. Please refer to **Appendix K** for this list of projects. Additional consideration of efficiency projects has been provided in the FY2021-2022 biennial budget requests. The Commission urges the Legislature to consider efficiency project implementation measures throughout their deliberations of the budget during JAC budget hearings and during the 2020 Budget Session.

Section 5. Conclusion:

The 2017 Commission acknowledged that the State may not be able to pursue all efficiency options immediately or at the same time, and that some options may not be feasible due to Wyoming's unique geography, culture, and priorities. The 2018 Commission expressed that executive branch agencies should continue to pursue low or no cost efficiency solutions where possible, while long-term and larger savings can be achieved through the use of the Efficiency Account. The Commission also concluded that it will be key to integrate and incorporate efficiency projects and practices into the State's operations and budgets for continued long-term success.

The 2019 Commission continues to support these conclusions and believes a persistent, coordinated effort on the part of the executive and legislative branches is paramount. Additionally, the Commission contends that the best future for the State will rely on continuously, cost-conscious and efficiency-minded efforts by our dedicated state and local officials and employees. These valuable individuals should strive to constantly investigate efficient and alternative practices to better position the State in years to come. Though the Commission may not continue beyond FY2020, the foundation for improving government's function has begun and Commission members look forward to observing a sustained effort in the years to come for the benefit of the people of Wyoming.

Section 6. Acknowledgement:

The State's efficiency work has only begun, and it will take a prolonged commitment to keep this work moving forward. The Commission thanks all State and local officials, employees, and members of the public that assisted the Commission, executive branch agencies, and the State efficiency consultant in providing information and data to establish the framework for this endeavor.

APPENDIX A



Updated: June 18, 2018

GOVERNMENT EFFICIENCY COMMISSION

June 19, 2018 | 10:00 AM
 Jonah Business Center, Room L54
 3001 E. Pershing
 Cheyenne, WY

Livestream available on the Legislature's website at www.wyoleg.gov

This proposed agenda sets forth the order in which the Committee may consider each topic. The agenda is subject to revision and all times listed are tentative and may be subject to change. If a topic is concluded early, the Committee will proceed to the next topic. For multiple day meetings, topics not completed on the indicated day may be carried over to the next day. Breaks will be taken as necessary.

Tuesday, June 19, 2018

- 10:00 AM 1. Call to Order
- Introduction of Commission members
 - Election of chair
 - Adoption of rules
- 10:30 AM 2. Commission Duties
- Legislative direction pursuant to Wyoming Session Laws, Ch. 112, Section 2
- 10:45 AM 3. Update on Executive Branch Efficiency Projects and Consultant Selection
- *Michelle Panos, Policy Advisor, Office of Governor Matthew H. Mead*
- 11:30 AM 4. Receive Efficiency Reports and Updates (Topic continues after lunch break)
- Span of Control Study
 - *Dean Fausset, Director, Department of Administration and Information*
 - Strategic Bulk Technology Purchasing
 - *Tony Young, Chief Information Officer, Department of Enterprise Technology Services*
 - Special Education and Transportation Efficiency Review
 - *Dicky Shanor, Chief of Staff, Wyoming Department of Education*
 - *Jed Cicarelli, School Foundation Program, Wyoming Department of Education*
 - Vendor Self Service
 - *Cynthia Cloud, Wyoming State Auditor*
- 12:00 PM 5. Lunch

- 1:30 PM 6. Receive Efficiency Reports and Updates (Cont.)
- 3:00 PM 7. Public Comment
- 3:30 PM 8. Review Future Meeting Dates and Potential Agenda Items
- 3:45 PM 9. Adjourn

**NOTE: In accordance with Management Council policy, opportunity for public comment will also be provided upon the conclusion of each topic.*



Updated: October 08, 2018

GOVERNMENT EFFICIENCY COMMISSION

October 9, 2018 | 9:00 AM

Jonah Business Center, Room L54

3001 E. Pershing Blvd.

Cheyenne, Wyoming

Livestream available on the Legislature's website at www.wyoleg.gov

This proposed agenda sets forth the order in which the Committee may consider each topic. The agenda is subject to revision and all times listed are tentative and may be subject to change. If a topic is concluded early, the Committee will proceed to the next topic. For multiple day meetings, topics not completed on the indicated day may be carried over to the next day. Breaks will be taken as necessary.

TUESDAY, OCTOBER 9, 2018

9:00 AM 1. Call to Order

- Roll call
- Chairman opening remarks
- Approval of June 19, 2018 meeting minutes

9:10 AM 2. Governor's Office

- *Michelle Panos, Policy Advisor, Governor's Office*
 - Update on transition planning for next Governor related to savings and efficiency projects
 - Update on the Project Management Office (PMO)

9:45 AM 3. Department of Administration and Information (A&I): Agency Update

- *Dean Fausset, Director, Department of A&I*
 - Span of control study
 - Motor pool operations study
 - Space utilization study
 - AIMS for General Services utility and maintenance program management
 - IBARS budgeting system upgrade project

10:45 AM 4. Management Audit Committee Report: State Procurement and Leasing (September 2018)

- *LSO Staff*
- *Dean Fausset, Director, Department of A&I*
 - Strategic sourcing discussion

11:15 AM 5. State Auditor's Office (SAO): Agency Update

- *Cynthia Cloud, State Auditor*
 - Transition planning for next Auditor related to Efficiency Commission work and SAO efficiency initiatives
 - Vendor Self Service project

- WOLFS 3.11 upgrade
- State financial transparency reporting

12:00 PM 6. Lunch

1:00 PM 7. Department of Enterprise Technology Services (ETS): Agency Update

- *Tony Young, Chief Information Officer, ETS*
 - Bulk computer purchasing
 - Enterprise solution for electronic signatures
 - Cybersecurity issues

2:00 PM 8. Wyoming Department of Education (WDE): Agency Update

- *Dicky Shanor, Chief of Staff, WDE*
- *Trent Carroll, Finance Director, WDE*
 - Special education savings and efficiencies
 - School district transportation savings and efficiencies
 - Summary of Joint Education Interim Committee action taken at its September 27-28 meeting related to savings and efficiency projects
 - *LSO Staff*
 - Federal food program participation
 - Consolidated purchasing for school district employee benefit plans
 - Cooperative purchasing by districts
 - Regional/shared administrative service units for districts

3:00 PM 9. General Public Comment

3:30 PM 10. Efficiency Commission Directives to LSO

- Next meeting date?
- Commission Report to Governor, Management Council, Joint Appropriations Committee (due November 30, 2018)

4:00 PM 11. Adjourn

**NOTE: In accordance with Management Council policy, opportunity for public comment will also be provided upon the conclusion of each topic.*



Updated: November 07, 2018

GOVERNMENT EFFICIENCY COMMISSION

November 13, 2018 | 9:00 AM

Jonah Business Center, L54

3001 E. Pershing Blvd.

Cheyenne, Wyoming

Livestream available on the Legislature's website at www.wyoleg.gov

This proposed agenda sets forth the order in which the Committee may consider each topic. The agenda is subject to revision and all times listed are tentative and may be subject to change. If a topic is concluded early, the Committee will proceed to the next topic. For multiple day meetings, topics not completed on the indicated day may be carried over to the next day. Breaks will be taken as necessary.

TUESDAY, NOVEMBER 13, 2018

9:00 AM 1. Call to Order

- Roll Call
- Chairman opening remarks
- Approval of October 9, 2018 meeting minutes

9:10 AM 2. Governor's Office and Project Management Office (PMO) Consultant

- *Michelle Panos, Policy Advisor, Governor's Office*
- *John "J.W." Rust, Senior Director and Project Manager, Alvarez and Marsal*
 - Discussion of plans for the 2019 interim, efficiency work completed to-date, recommendations for incorporating efficiency projects into agency budgets, and suggestions for Commission action
 - Update on transition planning with Governor-elect related to PMO and efficiency and savings projects

10:30 AM 3. State Auditor's Office (SAO)

- Update on transition planning with Auditor-elect related to efficiency and savings projects
 - *Cynthia Cloud, State Auditor*

10:45 AM 4. Public Comment

11:00 AM 5. Efficiency Commission Report

- *LSO Staff*
 - Commission interim work summary
 - Recommendations to Governor, Legislature's Management Council and Joint Appropriations Committee

12:00 PM 6. Efficiency Commission Directives to LSO

- Commission report components and final approval
- Next meeting date

12:15 PM 7. Adjourn

**NOTE: In accordance with Management Council policy, opportunity for public comment will also be provided upon the conclusion of each topic.*

APPENDIX B

Commission and Agency Recommendations

Appendix B

Agency	Subject	Agency Administrative Recommendations	Use of Efficiency Initiative Account?
Department of Administration and Information (A&I)	Span of Control Study	Span of control and other organizational factors should be a part of HRD's and other agencies' routine reviews	
		Agencies going through the legislative process of requesting more positions or the elimination of positions should explain the impact on span of control and organizational layers in their statement(s) of need	
		Agency heads should review cases and capitalize on opportunities where span of control could be improved	
		Agency requests for A&I assistance in reorganizations should involve a discussion of how anticipated reorganization could improve efficiencies or outcomes	
	Motor Pool Operations Study	No recommendations (A&I anticipates a draft report in December 2018 with and a final report in January 2019)	
	Space Utilization Study	Revise State Building Commission Rules to implement new required standards in future space programing and facilities operation and use	
		Determine roles and responsibilities for implementation and enforcement	
		Develop office and workstation building assemblies and furniture standards	
		Develop communication plan for dissemination of standards	
		Determine whether to evaluate specific spaces/buildings for space reduction and cost savings	
	IBARS Upgrade	No recommendations (estimate complete upgrade by June 2019)	
Department of Administration and Information (A&I)	Asset Information and Management System (AiMS)	No recommendations (estimate complete integration by June 2019)	
	Strategic Purchasing (A&I and SAO primary participants)	Will require outside expertise to study before recommendations may be formulated and implemented	
Department of Enterprise Technology Services (ETS)	Statewide Bulk Purchasing	Continue to develop bulk purchasing standards and procedures and evaluate effectiveness	
	Cybersecurity	No recommendations	
	Enterprise Electronic Signature (e-signature) Solution	State could purchase an enterprise e-signature solution for approximately \$700,000-\$800,000 per biennium	X
Wyoming Department of Education (WDE)	Medicaid Reimbursement for Schools	See "Special Education" above	
	Efficiency Actions Already Taken (as of June 2018)	1) Reduction of contracts and memberships (est. \$4.5 million annual savings); 2) Electronic forms and signatures (\$5,000 annual savings); 3) Telecommunication equipment and service accounts (\$50,000 annual savings); 4) Travel reductions, vehicle elimination (\$9,000)	

Commission and Agency Recommendations

Agency	Subject	Agency Administrative Recommendations	Use of Efficiency Initiative Account?
Wyoming Department of Education (WDE)	Special Education	Coordinate with the Wyoming Department of Health to implement Medicaid billing for school-based services, which could result in annual savings of \$3-\$6 million	
		Promulgation of Chapter 44 rules to provide more detailed guidance to school districts on reimbursable special education expenditures	
		Review of identification guidelines and assessment of possible over-identification of students with disabilities	
		Review of the current special education programming across the state in an effort to share best practices and develop a platform for shared training and resources	
		Continue work on staffing guidelines per W.S. 21-2-202(a)(xxiii) and W.S. 21-13-321(f). The WDE will work with the task force to develop and implement staffing guidelines by January 1, 2019	
		Continued work to develop a monitoring protocol (results driven accountability model) to compare costs of special education services, and expanding to include an examination of costs	
		Standardization of costs for out-of-district placements (e.g. BOCES, residential treatment facilities, etc.)	
		Increased use of BOCES or other cooperative agreements to provide comparable services to students throughout the state including regional day treatment centers that may provide lower costs to districts	
	Transportation	Evaluate allowable reimbursements and amend agency rules: Chapters 2: Minimum Standards for Wyoming School Buses; and Chapter 20: Pupil Transportation Component Within the Education Resource Block Grant Model	
		Reinstate the lease-to-purchase option for busses	
	Districts' Bulk Purchasing	See "K12 Bulk Purchasing Feasibility Study," required by 2018 HB 1 (2018 Laws, Ch. 134, Section 2, Section 077, Footnote #1)	
	Shared/Regional Services for Schools	WDE assembled task force recommends providing more publication and technical assistance to identify opportunities for shared services and encourage district participation.	
	Shared/Regional Services for Schools	WDE assembled task force recommends examining the feasibility of developing regional education service units to provide cooperative services between school districts, and in some cases other state agencies. Cooperative services in transportation, professional development, virtual education, post-secondary enrollment programs, career technical education and general administrative services, including purchasing and procurement	
	School Nutritional Program	Per WDE data, there is not a trend of Wyoming districts withdrawing from the National School Lunch Program (NSLP). Out of 48 school districts, 45 currently participate in the program. Regardless, as nutrition is largely a local issue without funding from the funding model block grant, the WDE cannot require districts to participate in NSLP. As food service operations are considered self-funding, minimal state savings are projected	

Commission and Agency Recommendations

Agency	Subject	Agency Administrative Recommendations	Use of Efficiency Initiative Account?
State Auditor's Office	Open Data Transparency Initiative	Initiate an RFP to secure technology services for more efficient and effective State financial information transparency	
	Vendor Self Service Module	Fund vendor self-service module upgrade to WOLFS uniform accounting system (cost estimated at: \$551,679, including \$191,679 license catch-up, \$360,000 pilot consulting services)	X

Commission and Agency Recommendations

Agency	Subject	Agency Legislative Recommendations	Pursued by 2018 JEC? (Y/N) ¹
Wyoming Department of Education (WDE)	Special Education	Amend W.S. 21-4-401 to include the option to reimburse mileage costs of a parent or legal guardian of a special education student providing transportation	N
		Discussed coordination with the Wyoming Community College Commission to review past success of the Wyoming Teacher Shortage Loan Repayment Program to attract and retain qualified special education teachers and related services staff, and determine if the program could be reinstated (W.S. 21-7-601, which expired in June 2016)	N
	Transportation	Extend bus replacement schedules closer to the national average: 1) Amend W.S. 21-13-320(c)(ii) to read that “schedules specified by department rule and regulations, within 10% of the national average.” 2) Amend W.S. 21-13-320(f) to remove the language “In addition and for purposes of reimbursement under subsection (g) of this section, the department shall in consultation with the pupil transportation committee, establish a minimum, average and optimal replacement schedule for each school bus type or other student transportation vehicle type.” 3) W.S. 21-13-320(g)(iii)-(iv) could be repealed	N
		Create Incentives for sharing transportation services and buses: Amend W.S. 21-13-320(g)(ii) to read “a district’s fleet shall be commensurate with district ADM and comply with fleet size standards established by the department...”	N
		Legislature could purchase a statewide telematics system to allow all school districts to track and monitor bus fleet use and maintenance data for long-term efficiencies	N
		W.S. 21-13-320(m) could be repealed (bus purchase moratorium)	N
		W.S. 21-13-320(j)(i) could be amended to read “An amount equal to the average of transportation operations and maintenance expenditures for fiscal years 2014-15, 2015-16 and 2016- 17, with increases in subsequent years based on an external cost adjustment to account for inflationary factors	N
	Shared/Regional Services for Schools	Cooperative Service Incentive statute: Amend statute (W.S. 21-13-331) to include savings realized through shared services with BOCES allowing school districts to receive 50 percent of the documented cost savings and amend W.S. 21-13-331 to include bus sharing and asset transferring as part of the transportation cooperative services incentive	N
	Consolidated Schools' Employee Benefit Plans	No recommended action; the concept of a consolidated plan was presented to the Joint Education Interim Committee by LSO in September 2017 but no action was taken; WDE has not devoted any additional time or resources to the topic	N

¹ The Joint Education Interim Committee (JEC) was tasked with considering similar Department of Education efficiency/cost savings recommendations as the Efficiency Commission throughout the 2018 interim. As of the writing of the Commission's report, the JEC had not voted to pursue the legislative recommendations with sponsored bill drafts. Late interim decisions of the JEC are not reflected in this report.

Commission and Agency Recommendations

Agency	Subject	Commission Recommendations
Department of Administration and Information	Span of Control Study	Organizational charts developed during the study should be incorporated into each agency's budget request with position numbers included where appropriate or practical
		Any agency or departmental reorganization should include revisions to organizational charts and span of control considerations with specific justification for any span of control below the targeted ratios
	Space Utilization Study	Office space standards developed by A&I for use in state owned buildings in Cheyenne should also be applied, to the extent practicable, to state office spaces (leased or owned) throughout the state
		Similar to the current Casper State Office Building capital project, the State should study the feasibility and potential efficiencies/cost savings of additional consolidation of State agencies' office space in other communities around the state. This study should focus on agencies satellite offices with an initial reduction in State-paid leased properties that rely significantly or solely on State general funds
Wyoming Department of Education	Special Education	The Commission should work closely with the Governor's Office and the Project Management Office consultant to develop an easily digestible accountability report card or scorecard. This mechanism should include relevant metrics for each agency and project and be used as a means to continually and routinely track agencies progress toward meeting efficiency and cost savings goals. This should include or be complemented with agency-specific plans and timelines/benchmarks
		Consultation with the DFS and the DOH to explore the feasibility of transferring early childhood education programs and functions, including special education services, to the WDE; 2018 Joint Education Interim Committee considered draft legislation (19LSO-0008 Working Draft 0.6-Early childhood education) to implement early childhood education programs' consolidation, but decided not to sponsor

APPENDIX C

LSO staff for the Government Efficiency Commission prepared this appendix at the request of the Commission Chairman to provide an informal outline of draft statutory changes considered by the Commission during the 2018 interim. These draft statutory changes have not been reviewed for conformance with Wyoming Statutes. Prior to consideration by a legislative committee or an individual legislator, LSO will need to formalize the request(s) into bill drafts.

Although several agencies presented recommendations for increasing efficiencies through administrative action, only the Wyoming Department of Education (WDE) suggested statutory changes to the Commission. The origin of the eight potential statutory changes outlined in this appendix can be found in the memoranda submitted to the Joint Education Committee and the Government Efficiency Commission.¹

Additionally, the Commission recommends continued exploration into the feasibility of transferring early childhood education programs and functions, including special education services, to the WDE. A bill draft, 19LSO-0008 0.6, related to this recommendation was considered but not acted upon by the Joint Education Committee at its Sept. 27-28, 2018 meeting.²

Draft Outline of WDE Suggested Statutory Changes

1. Reinstate the Wyoming Teacher Shortage Loan Repayment Program.

Section 1. W.S. 21-7-601(o) is amended to read:

21-7-601. Wyoming teacher shortage loan repayment program; eligibility criteria; procedures; program reporting.

(o) This program created by this section shall expire effective ~~June 30, 2016~~ June 30, 2022.

2. W.S. 21-13-320(c)(ii) could be amended to read that “schedules specified by department rule and regulations, within 10% of the national average.” W.S. 21-13-320(f) could be amended to remove language “In addition and for purposes of reimbursement under subsection (g) of this section, the department shall in consultation with the pupil transportation committee, establish

¹ See June 6-7, 2018 memorandum to the Joint Education Committee titled "Preliminary Evaluation & Recommendations on Transportation Efficiency." The memorandum was presented to the Government Efficiency Commission during the June 19, 2018 meeting. Available at: <https://www.wyoleg.gov/InterimCommittee/2018/SGE-20180619MemoonTransportationEfficiencies.pdf>; June 6-7, 2018 memorandum to the Joint Education Committee, titled "Special Education Efficiencies." The memorandum was presented to the Government Efficiency Commission during the June 19, 2018 meeting. Available at: <https://www.wyoleg.gov/InterimCommittee/2018/SGE-20180619MemoonSpecialEducationEfficiencies.pdf>; Sept. 27-18, 2018 memorandum to the Joint Education Committee, titled "K-12 Transportation Fiscal Efficiencies Final Report." The memorandum was presented to the Government Efficiency Commission during the Oct. 9, 2018 meeting. Available at: <https://www.wyoleg.gov/InterimCommittee/2018/SGE-20181009WDE-MemoonTransportationEfficiencies.pdf>.

² This bill draft is available on LSO's website at: <https://www.wyoleg.gov/InterimCommittee/2018/04-2018092719LSO-0008v0.6.pdf>.

a minimum, average and optimal replacement schedule for each school bus type or other student transportation vehicle type.” W.S. 21-13-320(g)(iii)-(iv) could also be repealed.

Section 1. W.S. 21-13-320(c)(ii) and (f) are amended to read:

21-13-320. Student transportation; amount within school foundation program formula for transportation maintenance and operations expenditures and school bus purchases; district reporting requirements.

(c) In addition to subsection (b) of this section and for buses purchased or leased before April 1, 2002, subject to state standards and department rule and regulation, the transportation adjustment under this section for each district shall include one hundred percent (100%) of the expenditure for the purchase or lease of school buses and other vehicles used primarily for the purpose of transporting students to and from school and to and from school activities. Amounts included within the adjustment under this subsection shall be subject to the following:

(ii) Buses and other vehicles used primarily for student transportation, for which reimbursement is authorized, shall not exceed state minimum standards for vehicle specifications and equipment and shall be subject to vehicle replacement schedules specified by department rule ~~and regulation~~, which shall provide for vehicle replacement schedules that are within ten percent (10%) of the national average age of buses and other vehicles used for student transportation;

(f) The department of education shall adopt necessary rules and regulations to implement and enforce state standards established under this section and to administer this section. District expenditures computed under subsection (b) of this section shall not include expenditures for employee contributions to the Wyoming retirement system exceeding five and fifty-seven hundredths percent (5.57%) of any member employee's salary. In addition, the department shall, in accordance with procedures prescribed by department rule and regulation, establish a base price for each school bus type or other student transportation vehicle type for the applicable fiscal period that complies with minimum state standards for vehicle specifications and

equipment. The department shall also establish a process including competitive bidding which guarantees the acquisition of school buses and other student transportation vehicles approved for reimbursement and complying with state minimum standards and district fleet size restrictions at the established base price for the applicable fiscal year. ~~In addition and for purposes of reimbursement under subsection (g) of this section, the department shall in consultation with the pupil transportation committee, establish a minimum, average and optimal replacement schedule for each school bus type or other student transportation vehicle type.~~ School districts shall notify the department of school bus and other student transportation vehicle needs and requirements for the appropriate fiscal year in the manner and within the times prescribed by department rule and regulation, and shall report expenditures, purchases and lease arrangements for the applicable reporting period, including vehicles replaced by purchases and leases, as required by department rule and regulation. The department shall annually review and conduct audits as necessary of information submitted under this section. As authorized under W.S. 21-13-307(b), the department may correct the information reported by districts under this section as necessary to fairly and accurately reflect the data type, classification and format required to administer this section in accordance with law and department rules and regulations.

Section 2. W.S. 21-13-320(g)(iii) and (iv) is repealed.

3. Amend W.S. 21-13-320(g)(ii) to read “a district’s fleet shall be commensurate with district ADM, average bus ridership, geography, school schedules, and specialized needs and comply with fleet size standards established by the department...”

Section 1. W.S. 21-13-320(g)(ii) is amended to read:

(g) In addition to subsection (b) of this section and for buses purchased or leased on or after July 1, 2002, the transportation adjustment for each district under this section shall include an amount computed under this subsection for the purchase or lease of school buses and other vehicles used primarily for the transportation of students to and from school and to and from school activities. Computations of amounts reimbursed under

this subsection shall be based upon the base price established by the department under subsection (f) of this section for the student transportation vehicle type. Amounts included within the adjustment under this subsection shall be subject to the following:

(ii) The number of buses and other student transportation vehicles comprising a district's fleet shall be commensurate with the district's ADM, average bus ridership, geography, school schedules and specialized needs and comply with fleet size standards established by the department in accordance with paragraph (c)(ii) of this section, unless otherwise waived by the department for the provision of safe and efficient student transportation services;

4. W.S. 21-13-320(j)(i) could be amended to read "An amount equal to the average of transportation operations and maintenance expenditures for fiscal years 2014-15, 2015-16 and 2016-17, with increases in subsequent years based on an external cost adjustment to account for inflationary factors."

Section 1. W.S. 21-13-320(j)(i) is amended to read:

21-13-320. Student transportation; amount within school foundation program formula for transportation maintenance and operations expenditures and school bus purchases; district reporting requirements.

(j) Effective for the school year 2018-2019 and each school year thereafter the amount computed under this section shall be in accordance with the provisions of this subsection. Each district shall receive:

(i) An amount equal to an average of the amounts the district received for school years 2014-2015, 2015-2016 and 2016-2017 pursuant to paragraphs (i) and (ii) of subsection (b) of this section, with increases for the school year 2019-2020 and each school year thereafter based on an external cost adjustment to account for inflationary factors; plus

5. W.S. 21-13-320(m) could be repealed (bus purchase moratorium).

Section 1. W.S. 21-13-320(m) is repealed.

6. Amend W.S. 21-13-331 to include savings realized through shared services with BOCES allowing school districts to receive 50 percent of the documented cost savings; Amend W.S. 21-13-331 to include bus sharing and asset transferring as part of the transportation cooperative services incentive.

Section 1. W.S. 21-13-331(a)(intro) and by creating a new subsection (d) is amended to read:

(a) If two (2) or more districts enter into an arrangement to combine, share or transfer school buses, other student transportation vehicles and student transportation services, the district shall receive an amount in addition to the guarantee under W.S. 21-13-309(p) during the succeeding school year, subject to the following:

(d) Combined service agreements under subsection (a) or (b) of this section may include the board of cooperative educational services.

7. Amend W.S. 21-4-401 to include the option to reimburse mileage costs of a parent or legal guardian of a special education student providing transportation. Although some school districts have entered into such agreements, statute could be amended to allow consistent eligibility requirements. *LSO notes that requested statutory changes are unclear. Accordingly, W.S. 21-4-401 is replicated below with no amendments.*

21-4-401. Transportation or maintenance for isolated pupils.

(a) The board of trustees of any school district within the state shall provide transportation or maintenance for isolated elementary, middle, junior high or high school pupils resident within the district, whenever it would be in the best interests of the affected children to provide transportation or maintenance than to establish a school to serve these pupils, and for those isolated pupils resident within the district who are attending a school in another district pursuant to W.S. 21-4-502. Amounts paid under this section shall be subject to subsections (d) and (e) of this section and shall not exceed the actual costs incurred by parents or pupils.

(b) The state superintendent shall adopt reasonable rules and regulations pertaining to residence requirements establishing eligibility under this section and for provision of tuition and transportation or maintenance. No person is eligible as an isolated pupil under this section unless the pupil's parents or legal guardians demonstrate to the local school board that the family's residing in the isolated location is necessary for the family's financial well being. The burden shall be on the parent or guardian to demonstrate that the family's residing in the isolated location is necessary for the family's financial well being. The final decision as to eligibility shall be made by the district board of trustees.

(c) The rights accorded under this section shall be enforceable by writ of mandamus, and in such event the district shall pay all costs and legal expenses of a petitioner successful in obtaining such writ.

(d) To receive transportation payments under this section, the parent or legal guardian of any isolated pupil eligible under this section shall file a transportation reimbursement claim with the district on a form provided by the district specifying the total round trip miles traveled each day to and from the bus stop or the school, as applicable. The total round trip miles shall be multiplied by the applicable mileage rate prescribed under W.S. 9-3-103(a)(iii) to compute the daily mileage reimbursement amount. Where combined transportation is provided for two (2) or more isolated pupils being transported to the same school, only one (1) reimbursement shall be made. Payments to parents or guardians for transporting students to and from school shall be computed excluding the first two (2) miles traveled each way. No payments shall be paid to a parent or guardian for transportation of students unless the pupil resides in an isolated location as specified under subsection (b) of this section.

(e) Monthly maintenance payments may be paid under this section in lieu of transportation payments if the pupil resides at a location near the school rather than the isolated location. The amount paid shall be the lesser of the amount of maintenance payments claimed or the transportation payments that would have been payable under subsection (d) of this section. Monthly

maintenance payments under this section shall reimburse the isolated student's parent or legal guardian for additional reasonable living expenses for only those months school is in session. A district shall be reimbursed for the full amount of isolation or maintenance payments it makes under this section. Reimbursement shall be made as if the district's total foundation program amount computed under W.S. 21-13-309(p) was increased by the amount of isolation or maintenance payments made during the preceding year.

8. The state of Wyoming maintains considerable assets in school transportation and reimburses roughly \$90 million each year in total expenditures. The Legislature could purchase a state telematics system to provide the data to make the necessary changes to realize long-term fiscal efficiencies. *This request may require statutory changes to provide for the implementation of a telematics system.*

1. Of this [general fund/other fund appropriation] from the _____ account _____ dollars (\$_____) shall only be expended by the department of education to purchase a telematics system for use by school districts and the department to track and monitor fleet use and maintenance of buses and other student transportation vehicles.

APPENDIX D

November 7, 2018

Joint Appropriations Committee Members,

I write to inform you of the Span of Control Review prepared by the Department of Administration and Information's Human Resources Division (Human Resources Division). This report was presented to the Wyoming Spending and Government Efficiency Commission ("Government Efficiency Commission") on October 9, 2018 and can be found on the Legislative Service Office (LSO) website: <https://www.wyoleg.gov/InterimCommittee/2018/SGE-20181009AI-GovernmentEfficiencyCommission-StateSpanofControlstudy.pdf>

This report evaluates worker-to-supervisor ratios ("span of control") of 91% of state executive branch employees across 19 state agencies, excluding the University of Wyoming, Community Colleges, and the offices of the state's elected officials. The report originates from a finding in the 2017 Alvarez and Marsal report submitted to the 2017 Government Efficiency Commission, which found the supervisory span of control in state agencies was at a ratio of 4:1 (4 workers:1 supervisor), below standard benchmarks of 6-8:1 and significantly below best in class levels of 12-13:1. The Alvarez and Marsal report recommended the state conduct a review of the state agencies' span of control.

The Span of Control Review conducted by the Human Resources Division found the average span of control for the 19 agencies reviewed ranged from 2.64:1 to 6.5:1 and that agencies have up to 10 organizational layers between the agency director and frontline workers. The main findings included:

- Efficiencies and savings can occur through achieving an optimum span of control;
- The span of control decreased in recent years due to budget cuts;
- Short and long-term increases in agencies' span of control can and are being made because of agency reviews;
- Longer-term changes need to be made carefully to avoid sacrificing effectiveness for efficiency; and
- It is better to make span of control decisions agency by agency rather than through across-the-board directives.

The Span of Control Review recommendations are as follows:

- Span of control should be a part of the Human Resources Division and agencies' routine reviews;
- Agencies requesting more positions or fewer positions should explain the impact on span of control and organizational layers in their statement(s) of need; and
- Agency heads should review cases and capitalize where span of control could be improved.

The appendix of the Span of Control Review provides information for each of the 19 agencies. It includes each agency's span of control ratio with and without temporary positions, the number of organizational layers at the agency, a history of the agency's span of control, statutory, administration or other barriers to improving the span of control, and the agency's short and long-term plans to improve efficiencies.

I recommend the use of the Span of Control Review during agency budget hearings and consideration of the findings and recommendations contained therein as you develop the 2019 supplemental budget bill and future agency budgets. Specifically, I propose the following:

- That the actual organizational charts developed during the span of control study be incorporated into each agency's budget request with position numbers included where appropriate or practical; and
- That any agency or departmental reorganization include revisions to organizational charts and span of control considerations with specific justification for any span of control below the targeted ratios.

Sincerely,



Senator Drew Perkins
Chairman, Government Efficiency Commission

Cc:
Members, Government Efficiency Commission
Don Richards, LSO Budget/Fiscal Administrator

APPENDIX E



Updated: May 07, 2019

GOVERNMENT EFFICIENCY COMMISSION

May 2, 2019 | 9:00 AM
Jonah Building, Room L54
3001 East Pershing Boulevard
Cheyenne, Wyoming

Livestream available on the Legislature's website at www.wyoleg.gov

This proposed agenda sets forth the order in which the Committee may consider each topic. The agenda is subject to revision and all times listed are tentative and may be subject to change. If a topic is concluded early, the Committee will proceed to the next topic. For multiple day meetings, topics not completed on the indicated day may be carried over to the next day. Breaks will be taken as necessary.

THURSDAY, MAY 2, 2019

9:00 AM 1. Call to Order

- Roll Call
- Introduction of New Commission Members
- Chairman opening remarks
- Review of November 13, 2018 meeting minutes

9:15 AM 2. Governor's Office: Update and Direction

- Status and Update of Efficiency Consultant Contract
- Policy and Direction for Ongoing Efficiency Efforts of New Governor
 - *Pat Arp, Chief of Staff, Governor's Office*

9:45 AM 3. Public Comment

10:00 AM 4. Efficiency Consultant and Project Management Office

- Status of Consultant Work
- Summary of Report to Governor and Efficiency Commission
- Recommendations and Next Steps
 - *JW Rust, Senior Director and Project Manager, Alvarez and Marsal (consultant)*
 - *Mark Howard, Alvarez and Marsal (consultant)*
 - *Chris Clower, Alvarez and Marsal (consultant)*

11:45 AM 5. Public Comment

12:00 PM 6. Lunch

1:00 PM 7. Agency Updates

- State Auditor's Office
 - *Kristi Racines, State Auditor, SAO*
- Department of Education
 - *Dicky Shanor, Chief of Staff, WDE*

- Trent Carroll, Chief Operations Officer, WDE
- Department of Administration and Information
 - Tricia Bach, Director (interim), A&I
- Department of Enterprise Technology Services
 - Gordon Knopp, Director/State CIO, ETS
- University of Wyoming
 - David Jewell, Associate VP for Financial Affairs, UW
 - Neil Theobald, VP for Administration, UW

3:30 PM 8. Public Comment

3:45 PM 9. Commission Plan for 2019 Interim

- Commission Goals
- Future Meetings

**NOTE: In accordance with Management Council policy, opportunity for public comment will also be provided upon the conclusion of each topic.*



Updated: July 17, 2019

GOVERNMENT EFFICIENCY COMMISSION

July 15, 2019 | 9:00 AM
Wyoming Liquor Commission
6601 Campstool Road
Cheyenne, Wyoming

This proposed agenda sets forth the order in which the Committee may consider each topic. The agenda is subject to revision and all times listed are tentative and may be subject to change. If a topic is concluded early, the Committee will proceed to the next topic. For multiple day meetings, topics not completed on the indicated day may be carried over to the next day. Breaks will be taken as necessary.

MONDAY, JULY 15, 2019

9:00 AM 1. Call to Order

- Roll Call
- Chairman remarks
- Review of May 2, 2019 meeting minutes

9:15 AM 2. Summary of Efficiencies Implemented To Date

- *JW Rust, Senior Director and Project Manager, Alvarez and Marsal*

9:30 AM 3. Strategic Purchasing

- University of Wyoming Strategic Purchasing
 - *David Jewel, Associate VP for Financial Affairs, University of Wyoming*
- State Strategic Purchasing
 - *JW Rust, Senior Director and Project Manager, Alvarez and Marsal*
 - *Mark Howard, Managing Director, Alvarez and Marsal*
 - *Cyndi Joiner, Managing Director, Global Supply Chain and Logistics, Alvarez and Marsal*
 - *Patricia Bach, Interim Director, Department of Administration and Information*

10:15 AM 4. Public Comment

10:30 AM 5. Options for Implementing Efficiency Recommendations

- FY2021-2022 Biennial Budget Process
 - *Kevin Hibbard, Deputy Director, A&I Budget Division*
 - *Eli Bebout, JAC Co-Chair, Wyoming Legislature*
 - *Bob Nicholas, JAC Co-Chair, Wyoming Legislature*
 - *Michael Swank, Senior Fiscal Analyst, LSO Budget-Fiscal Section*
 - *JW Rust, Senior Director and Project Manager, Alvarez and Marsal*
- Agency Personnel and Span of Control
 - *TBD, A&I Human Resources*
- Use of the Efficiency Account; Project Management Office continuation; Efficiency savings tracking and reporting

- TBD, Governor's Office

12:00 PM 6. Public Comment

12:15 PM 7. Lunch

1:15 PM 8. Shared Services for K-12 School Districts

- Current or Recent Shared Service Agreements, Options and Recommendations for Greater Use of Shared Service Agreements
 - Various, School Districts
 - Dickey Shanor, Chief of Staff, Wyoming Department of Education
 - Trent Carroll, Chief Operations Officer, Wyoming Department of Education

2:00 PM 9. Public Comment

2:15 PM 10. Commission Recommended Efficiency Project Portfolio

- Alvarez and Marsal Final Report
 - JW Rust, Senior Director and Project Manager, Alvarez and Marsal
 - Mark Howard, Managing Director, Alvarez and Marsal
 - Cyndi Joiner, Managing Director, Global Supply Chain and Logistics, Alvarez and Marsal
- Legislative Bill Draft Recommendations

3:15 PM 11. Public Comment

3:30 PM 12. Commission Report (2018 SF 120, Section 2(f), due November 30, 2019)

- Report: Portfolio/Recommendations; Bill draft request(s); Commission continuation beyond June 30, 2020?
- Next meeting (budget hearings December 2019/January 2020; Session begins February 10, 2020)
- Directives to LSO

4:00 PM 13. Public Comment

4:15 PM 14. Adjourn

**NOTE: In accordance with Management Council policy, opportunity for public comment will also be provided upon the conclusion of each topic.*

APPENDIX F

[Staff Comment:

LSO will include Appendix F (November 13, 2018 meeting agenda) once revisions are approved.]

Wyoming Government Savings and Efficiency Project

Final Report

ALVAREZ & MARSAL

January 18, 2019

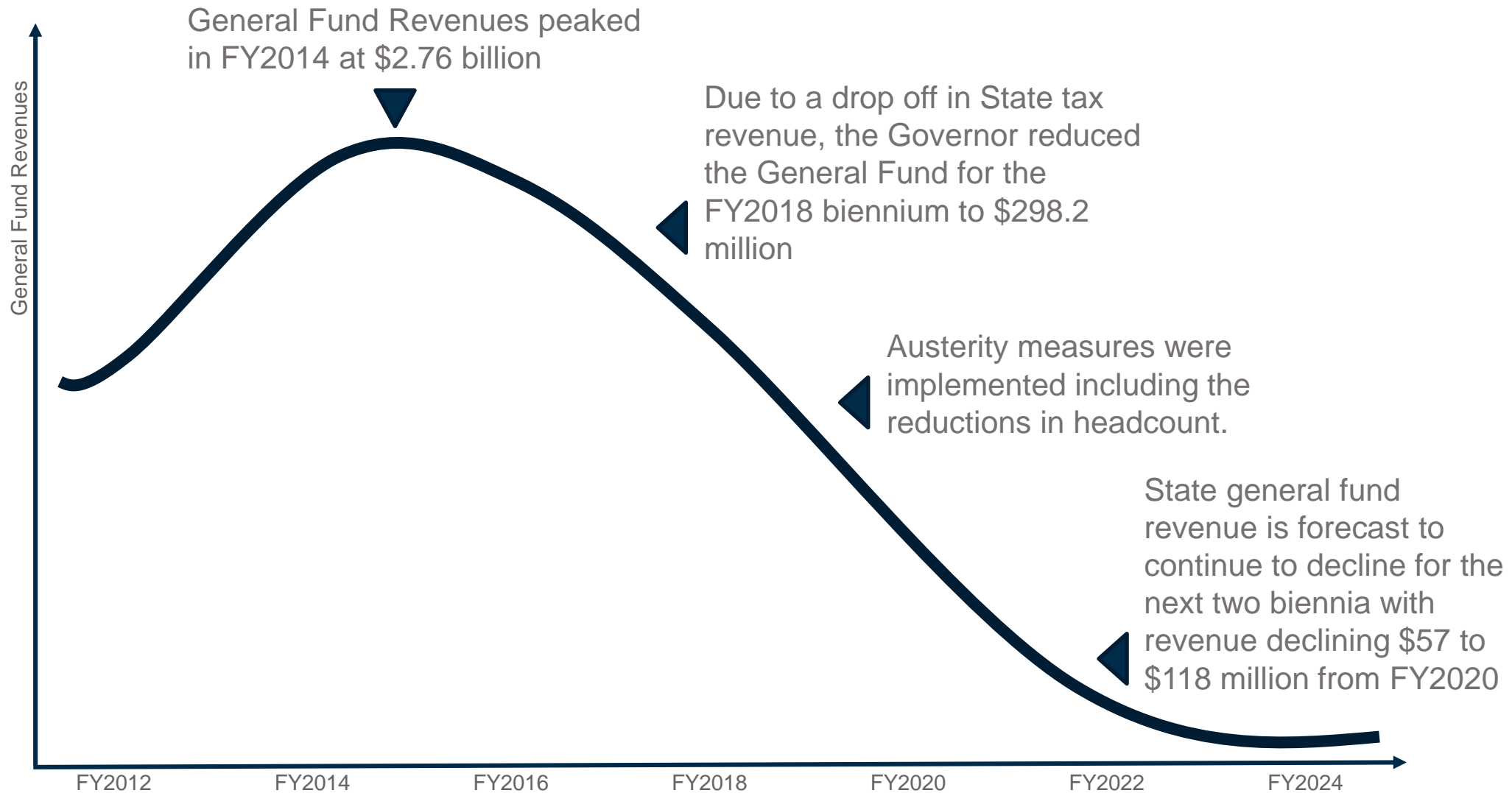
Table of Contents

Executive Summary	3
Portfolio Analysis	21
Program Management Office	31
Technology Integration	53
K-12 Regional Shared Service Centers	77
Shared Services for State Agencies	121
Organizational Line of Service Review	147
Strategic Sourcing	189
Medicaid for Special Education Services	217
Other Areas	239

Executive Summary

Financial Landscape

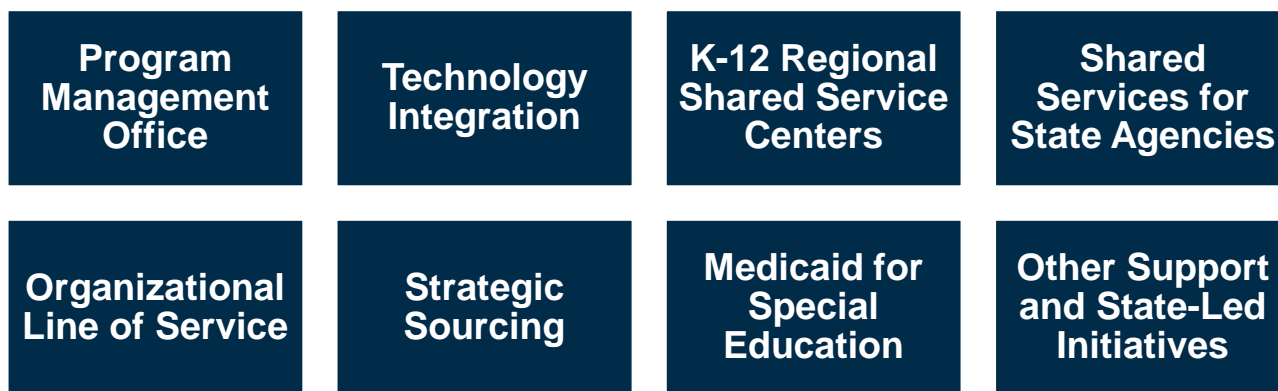
Wyoming's General Fund Revenues peaked at \$2.76 billion in FY2014 and is expected to drop to \$2.35 billion by FY2024.



Executive Summary

Alvarez & Marsal (A&M) was re-engaged by the Office of the Governor of the State of Wyoming to continue the efficiency work initiated by the Spending and Government Efficiency (SAGE) Commission in 2017.

The legislation set forth eight work streams for improved government efficiency.

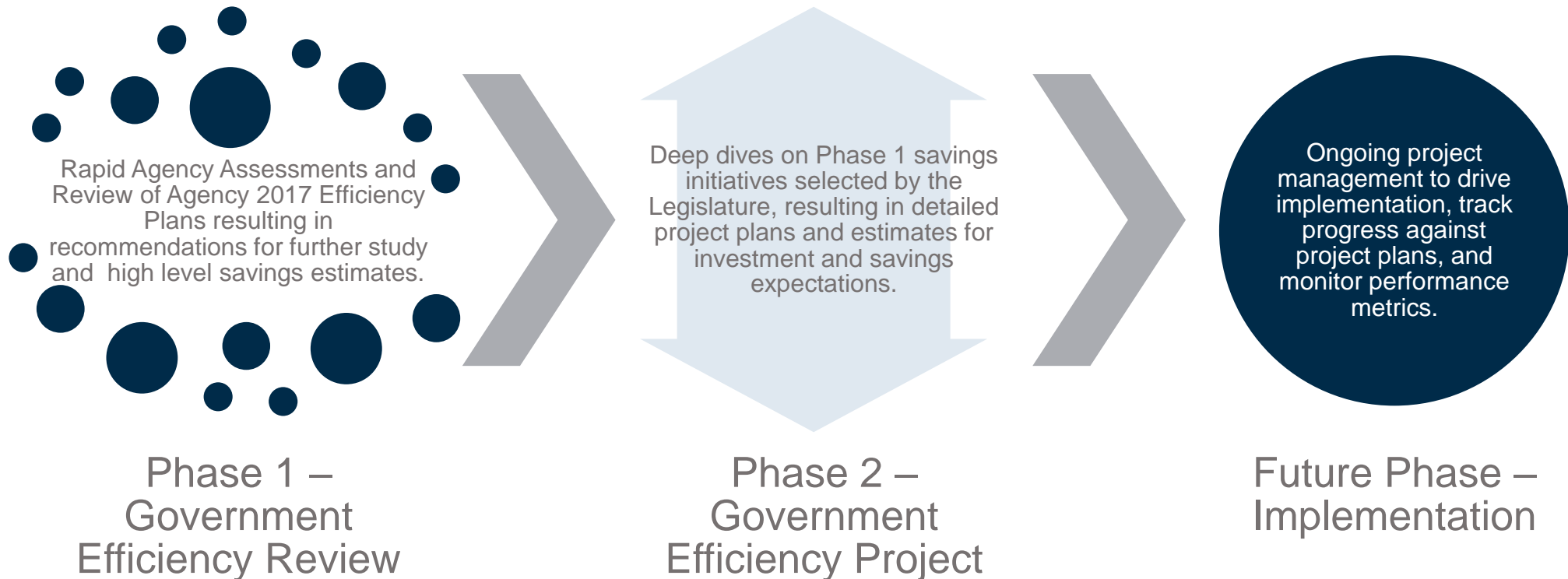


This phase of work includes:

- A detailed design of the recommendations set forth in the 2017 Statewide Efficiency Study
- Expanded analysis across all major agencies
- Support for implementation of selected recommendations in order to realize savings

Evolution of Efficiency Project

Over the course of two engagements, A&M has partnered with the State of Wyoming to identify opportunities to increase government efficiency. The ultimate goal is to provide a blueprint for achieving the savings estimates through dedicated project management and consistent monitoring of performance metrics and indicators.



Phase 1 Efficiency Recommendations

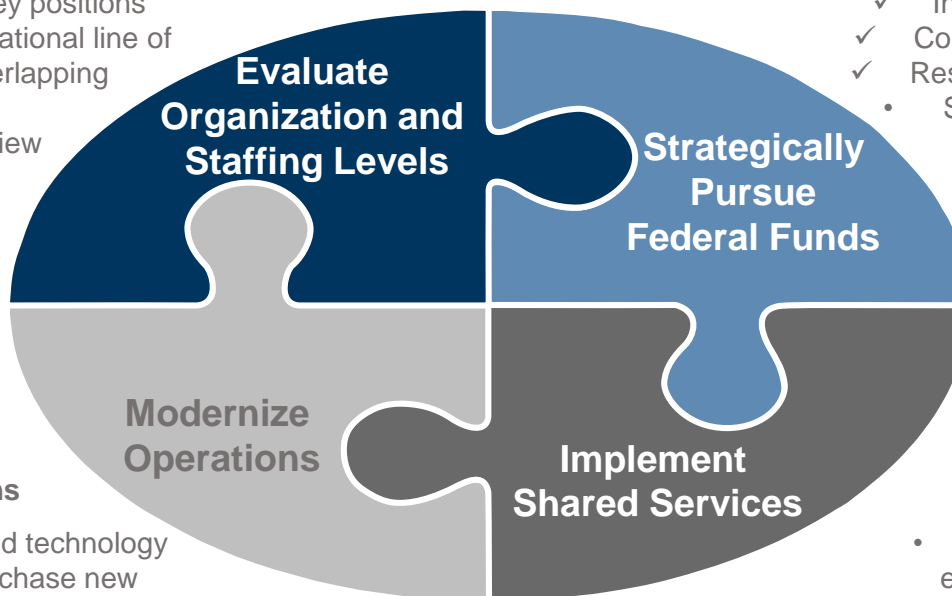
State of Wyoming Efficiency Study Recommendations

Organization and Staffing

- Evaluate opportunities to streamline administrative functions
- Increase staffing levels for key positions
- Conduct a statewide organizational line of service review to resolve overlapping responsibilities
- Conduct Span of Control review

Strategically Pursue Federal Funds

- Establish a Governor's Grants Office
- Increase federal reimbursement requests
 - ✓ Initiate school-based services request
 - ✓ Consider additional Medicaid programs
 - ✓ Restructure the Child Nutrition Program
- Strengthen reporting and compliance capabilities



Modernize Statewide Operations

- Invest in people, process, and technology
 - ✓ Expand on existing or purchase new technologies to minimize “paper-pushing”
 - ✓ Drive data quality improvements across the state’s financial and personnel systems
- Integrate technology solutions across agencies
- Sponsor efficiency-increasing technology for local governments and school Districts

Implement Shared Services

- Study the potential opportunities for expanded shared services in the state
 - ✓ Make necessary infrastructure enhancements
 - ✓ Build on successes in construction
 - ✓ Build on technology shared services successes
 - ✓ Consider expansion in Procurement
 - ✓ Consider Expansion in Human Resources
- Establish Shared Service Centers for school Districts

Efficiency Project Governance Overview

The Governor's Office, the Government Efficiency Commission and the Efficiency Project Governance Board are engaged in the governance of the Efficiency Project to drive collaboration of the Executive and Legislative branches, as well as with agency leadership.

	Team Members	Responsibilities
Governor	<ul style="list-style-type: none"> • Governor • Chief of Staff • Policy Advisor • Other Governor's Office staff, as required 	<ul style="list-style-type: none"> • Maintain final decision making authority on which projects go forward and sign-off on Project Charters for selected projects • Appoint members to the Government Efficiency Commission • Provide recommendations to the Legislature on projects funding and enabling legislation, as necessary
Government Efficiency Commission	<ul style="list-style-type: none"> • Five members appointed by the Management Council of the Legislature, including one from the private sector and two each from the Senate and House of Representatives • Four appointed by the Governor, including two from the private sector and one from the Governor's staff • Three set positions including the State Auditor, the Chief Information Officer, the Director of A&I 	<ul style="list-style-type: none"> • Partner with Governor to identify efficiency projects that should be selected for funding • Review reports and hear testimony for efficiency-related studies, projects, and implementation plans • Work with Legislature to address legislative changes that would need to be made to enable savings initiatives
Efficiency Project Governance Board	<ul style="list-style-type: none"> • Governor's Chief of Staff and Policy Advisor • Elected officials including State Auditor and Superintendent • Agency leadership (pending Governor approval) including the Chief Information Officer, and the Directors of the Departments of Administration & Information, Health, and State Parks & Cultural Resources 	<ul style="list-style-type: none"> • Provides recommendations to the Governor on spending and efficiency initiative approval and prioritization • Develop methodology for evaluating projects based on financial and operational impact to determine recommended project investments • Monitors efficiency initiatives through tracking progress and performance metrics

Workstream Summary Observations and Recommendations

	Observations	Recommendations
Program Management Office	<ul style="list-style-type: none"> • The state has established a statewide efficiency program to drive savings across the government. A&M was engaged to provide Program Management Office (PMO) support for the current phase of this effort. • The Governor's Office, the Government Efficiency Commission, and the Efficiency Project Governance Board provided governance and oversight to the Efficiency Project. • As a part of the current phase, A&M developed detailed project plans and performance metric projections for each workstream. The project plans and performance metrics have been uploaded into the PMO tool, Smartsheets, to allow for consistent tracking and monitoring and the development of portfolio dashboards to track and report on savings and project progress. 	<ul style="list-style-type: none"> • Identify dedicated staff to support the PMO function for the duration of the project alongside the A&M PMO team to provide continuity and learning throughout the program implementation. • Maintain strong project governance to ensure that interests of various branches of government, as well as the agencies and citizens are represented. • Monitor projects selected for implementation by tracking progress against project plans and evaluating performance metrics for impact. • Implement the communication plan to ensure collection and reporting of project execution, manage risks and issues, and report progress to state leadership including the Governor's Office, Governance Board, and to the Legislature.
Technology Integration	<ul style="list-style-type: none"> • There is a significant need to modernize technology through a consistent Technology Refresh Program and investments to automate manual processes and replace and legacy systems. • Enterprise technology spend provides savings opportunities of limited but worthwhile scale. • Critical capabilities such as Disaster Recovery are not sufficient for a government enterprise. 	<ul style="list-style-type: none"> • Implement contract renegotiation strategy to generate short term savings and build credibility. • Use sourcing framework to develop a modernization program of strategic procurements. • Prioritize organizational capabilities and implement a maturity program. • Transfer agency capital appropriation authority to ETS for the Technology Refresh Program

Workstream Summary Observations and Recommendations

	Observations	Recommendations
K-12 Shared Services for School Districts	<ul style="list-style-type: none"> • Most smaller Districts have administrators wearing multiple hats due to staffing limitations and since 75% of districts have less than 2,000 students, most Districts are not operating as efficiently as they could, and at times, not providing the best service quality. • School Districts throughout the state currently operate individually with use of BOCES for specialized services such as Special Education, but with limited use of BOCES as back office Shared Service Centers. • The state manages warehousing and distribution for commodity based school food and nutrition grants • Two education associations provide benefit services to 44 of 48 school districts 	<ul style="list-style-type: none"> • Implement Shared Service Centers across five Regions. The state should start with a pilot program and follow with full implementation region by region. • Mandating the participation in the shared service centers will lower the implementation costs and increase the benefits achieved by ensuring broader participation in the program. • Put in place an incentive model that will reward Districts for participation and the efficiency gains that they achieve. • Create a governance board structure that will represent the Districts, WDE, and other stakeholders evenly. • Consolidate all school districts onto one of two benefit services programs to enable reductions in administrative costs and to reduce stop loss expenses
Shared Services for State Agencies	<ul style="list-style-type: none"> • Administrative functions are highly decentralized with each having separate functions in most agencies. • Processes generally are not standardized across the agencies. Many are manually intensive with multiple approvals and quality check points. • The full functionality of the current financial and payroll systems are not fully understood or utilized. 	<ul style="list-style-type: none"> • Establish Centers of Excellence through consolidation of agency employees in the Fiscal Accounting, Accounts Payable, Payroll, Human Resources, Purchasing, Motor-Pool, Media, and Records and Data Management functions into dedicated function-specific Centers of Excellence. • Consolidate locations, where practical, to promote greater efficiencies and knowledge transfer.

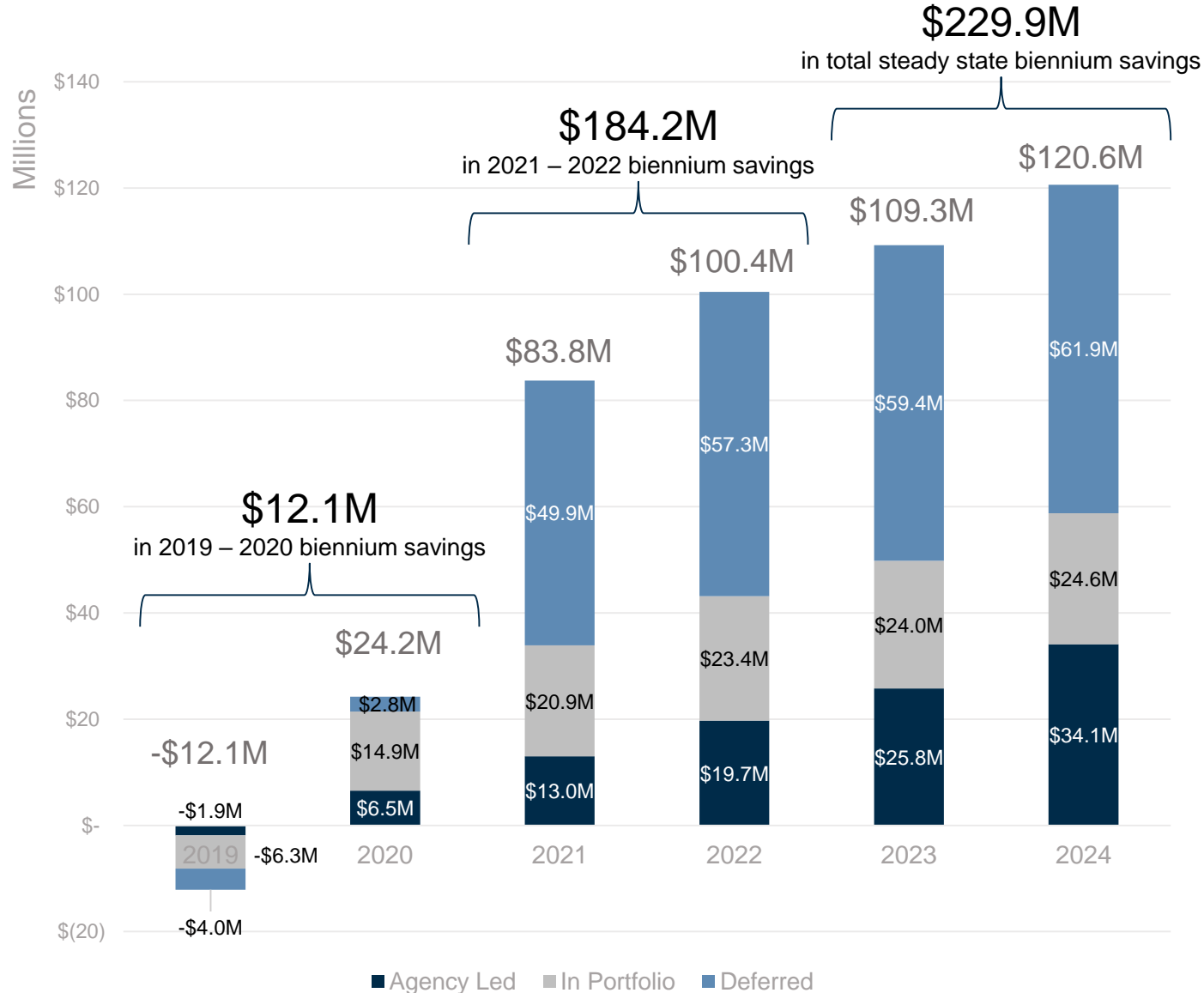
Workstream Summary Observations and Recommendations

	Observations	Recommendations
Organizational Line of Service Review	<ul style="list-style-type: none"> • There are functions within the state that are currently decentralized and would benefit from consolidation. • There are opportunities to use technology to enhance oversight, particularly in licensing, facilities management, and financial management, that would improve customer experience and drive savings. • The Governor has over 40 direct reports and there are over 200 boards and commissions. Oversight could be enhanced by streamlining functions, operations and administration. 	<ul style="list-style-type: none"> • Improve functional alignment within agencies to enhance coordination particularly in the areas of revenue auditing, occupational safety, and developmental early childhood education. • Expand on the use of technology to automate processes, enhance communication and data sharing between agencies, and support overall efficiency efforts. • Enhance statewide oversight and transparency functions by streamlining the Governor's reporting structure, evaluating opportunities to consolidate boards and commissions and enhancing the performance audit function within the Department of Audit.
Strategic Sourcing Review	<ul style="list-style-type: none"> • The procurement process is highly decentralized, and as a result does not effectively leverage total spend or aggressively negotiate the best value for the state with suppliers. • Lack of consistency in the procurement process also leads to poor supplier management and reduced long-term value creation. 	<ul style="list-style-type: none"> • Conduct a series of sourcing events for products and services identified as opportunities to reduce cost and/or increase value for the State of Wyoming. • Utilize a category management approach to more effectively leverage spend and secure more advantageous terms, which would save the state significant amounts of time and money. • Train Wyoming Procurement personnel on ways to conduct events, including negotiation tactics and post-event supplier relationship management.

Workstream Summary Observations and Recommendations

	Observations	Recommendations
Medicaid for Special Education Services	<ul style="list-style-type: none">Wyoming is the only state in the country that does not request Medicaid reimbursement for school-based services (SBS), resulting in the loss of \$7 million to \$10 million in federal funding annually.Medicaid pays for health and health-related services provided in schools when covered services are provided to Medicaid-enrolled children and adolescents. Medicaid also pays for services provided to a child through an individualized evaluation plan (IEP) under the Individuals with Disabilities Education Act (IDEA, P.L. 101-476).SBS has been previously discussed in recent legislative sessions. Legislation was previously drafted and filed, but did not receive successful legislative approval.	<ul style="list-style-type: none">Identify legislative action required to authorize Medicaid funding for special education services.Develop a State Plan Amendment (SPA) to describe the services covered and the claiming methodology. Submit changes to the Centers for Medicare and Medicaid Services (CMS) for approval.Drive collaboration between WDE and WDH to define the SBS program, in conjunction with the local education agencies (LEAs).Develop a model that allows for federal funding for special education services while minimizing administrative burden for both LEAs and the state.

Annual Savings



With the \$10M of investment carved out by the Government Efficiency Commission and other agency led initiatives currently under way the state can achieve \$108.6M in savings once the steady state is reached (represented by the Agency Led and In-Portfolio portions of the graph).

\$108.6M vs. \$229.9M

However, in order to reach the full \$229.9M biennium savings, the state will need an additional \$19.3M in investment as well as pass various mandates and legislation to fully realize all potential savings identified.

Savings Estimates

	Est. One-Time Investment (State Funds)		Est. Net Biennium Savings (State Funds)	
	Low	High	Low	High
K-12 Shared Service Centers	\$ (7,316,000)	\$ (8,943,000)	\$ 65,833,000	\$ 80,463,000
Medicaid Funding for School Based Services	\$ (1,108,000)	\$ (1,354,000)	\$ 15,347,000	\$ 18,758,000
Organizational Line of Service Review	\$ (13,090,000)	\$ (16,001,000)	\$ 81,716,000	\$ 99,874,000
Other Areas	\$ (412,000)	\$ (504,000)	\$ 2,059,000	\$ 2,517,000
PMO	\$ (1,925,000)	\$ (2,354,000)	\$ -	\$ -
Shared Services for State Agencies	\$ (2,835,000)	\$ (3,466,000)	\$ 16,827,000	\$ 20,565,000
Strategic Sourcing	\$ (1,569,000)	\$ (1,917,000)	\$ 8,155,000	\$ 9,967,000
Technology Integration	\$ (7,383,000)	\$ (9,022,000)	\$ 16,964,000	\$ 20,734,000
State Total	\$ (35,638,000)	\$ (43,561,000)	\$ 206,901,000	\$ 252,878,000
In-Portfolio	\$ (7,862,000)	\$ (9,610,000)	\$ 43,797,000	\$ 53,529,000
Agency Led	\$ (10,411,000)	\$ (12,724,000)	\$ 53,914,000	\$ 65,894,000
Deferred Investments	\$ (17,365,000)	\$ (21,227,000)	\$ 109,190,000	\$ 133,455,000
Total	\$ (35,638,000)	\$ (43,561,000)	\$ 206,901,000	\$ 252,878,000

Note: Portfolio is designed for the \$10M in spending. To achieve full steady state savings an additional \$17.3M to \$21.2M in investment is required.

Enabling Legislative Changes

K-12 Shared Service Centers

- Legislative action will be needed so that BOCES that are established as Regional Shared Service Centers can be designated as LEAs so that state funds may be directed to them.
- Legislative action will be needed to establish an incentive fund to drive District adoption of the Shared Service Model and a process for the Superintendent to designate funds / appropriations.
- Legislative action may be required to allocate spending to standardize Educational Systems.
- Seed funding must be approved by the Legislature before the Shared Service Center can begin building necessary requirements to operate the centers.
- Legislative action may be needed to authorize ongoing funding for the first several years to get the centers to a maturity level where they can sustain themselves.
- The Shared Service Center(s) and each center employee should be subject to existing Wyoming Government Code, and going forward:
 - (1) each center needs to be considered an LEA; and
 - (2) each center employee is considered to be an employee of the LEA.

Medicaid for Special Education

- Legislative action may be needed to authorize Medicaid funding for special education services. SBSs were discussed in recent legislative sessions, but no legislation successfully passed.

Enabling Legislative Changes (continued)

Shared Services for State Agencies

- Enabling legislation will be needed to establish and authorize the Centers of Excellence and to transfer organizational responsibilities from various agencies within a single organization.

Organizational / Line of Service Recommendations

- Enact legislation that would allow for changes in organizational structure that would realign services provided by agencies.
- Amend existing legislation with requirements for certain Boards or Commissions to allow for consolidation.

Legislative Enhancements

Technology Integration

- Mandating of agency participation in Third-party Managed Services Agreement for Network and End User Experience Services.
- Transfer agency capital appropriations for technology to ETS.

Strategic Sourcing

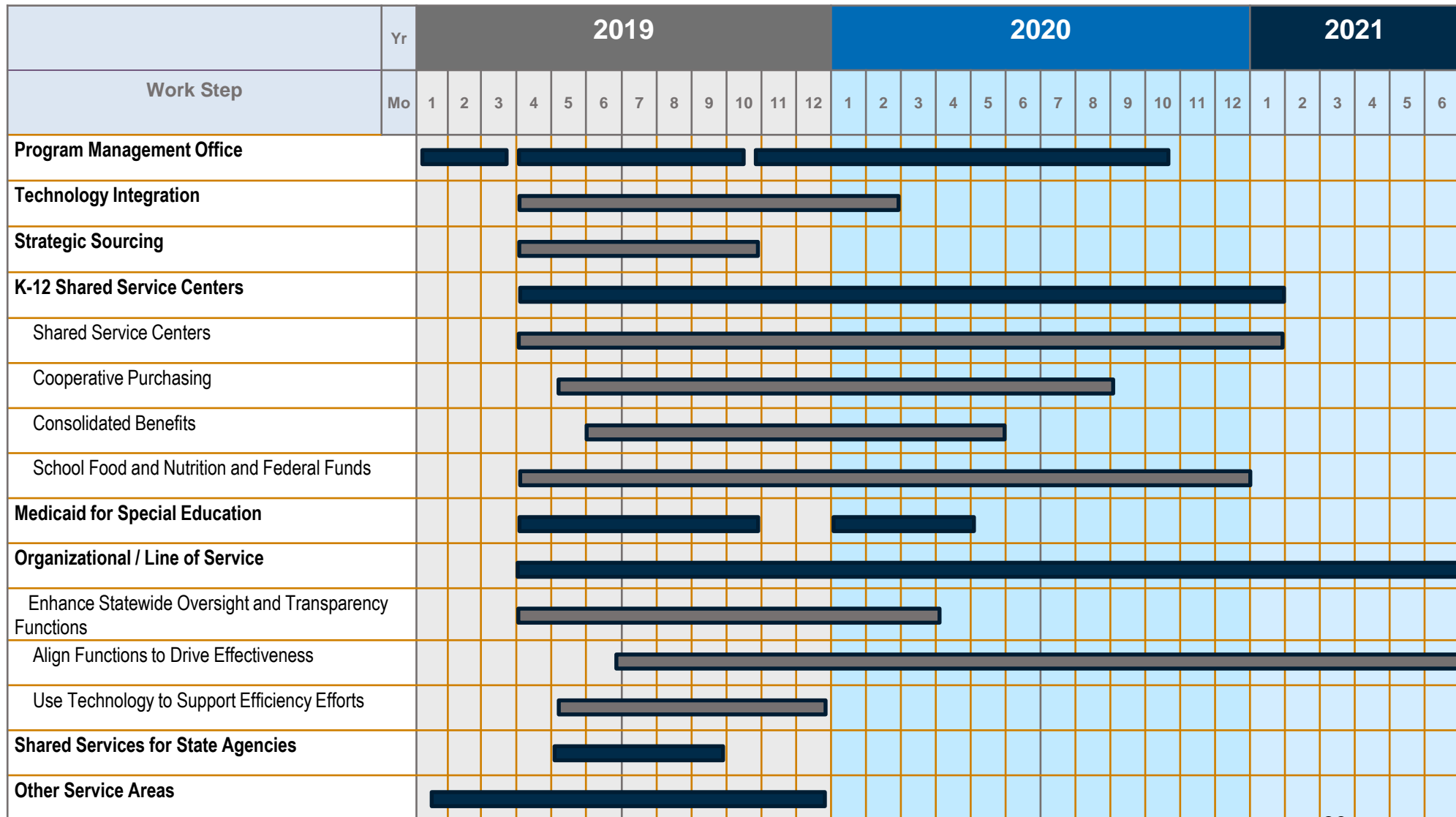
- Increasing the RFP/Bid amount from \$7,500 to a higher level requires statutory change.

Organizational / Line of Service Recommendations

- Mandate routine performance audits to monitor reports from internal agency program integrity functions.

Implementation Roadmap

The implementation plan is forecast to begin in April and last for a period of over 24+ months.



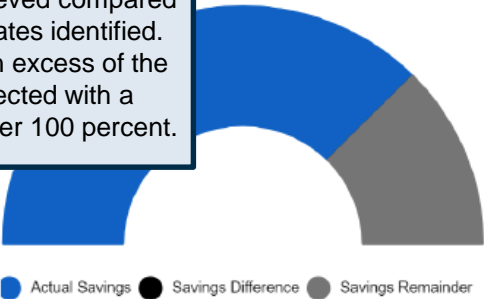
WYOMING GOVERNMENT EFFICIENCY

Project Dashboard

2019

Savings

Tracks savings achieved compared to the saving estimates identified. Savings achieved in excess of the estimate are reflected with a percent to goal of over 100 percent.



Savings

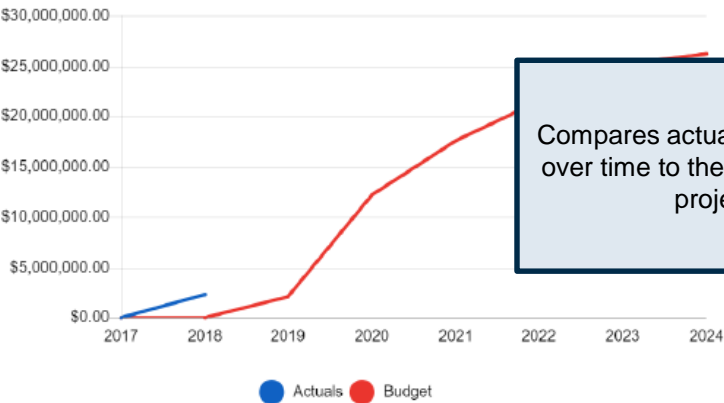
\$2,290,000

2018

Savings Gap

\$0

Duration Chart Report

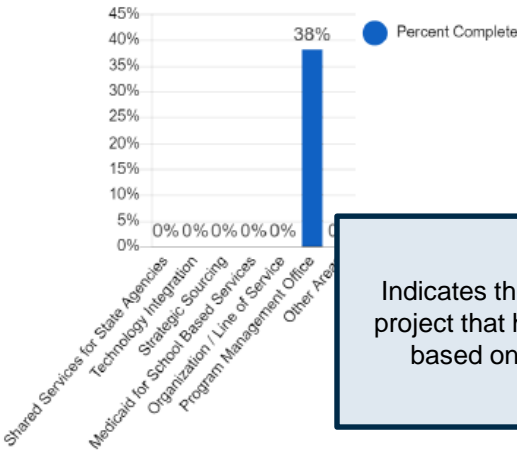


Compares actual savings achieved over time to the estimated savings projections.

Short Name	Health	Status	Notes
Program Management Office	●	In Progress	Design Report Complete
Shared Services for State Agencies	●	Not Started	Awaiting Budget
Technology Integration	●	Not Started	Awaiting Budget
Strategic Sourcing	●	Not Started	Awaiting Budget
Medicaid for School Based Services	●	Not Started	Awaiting Budget
Organization / Line of Service	●	Not Started	Awaiting Budget
Other Areas	●	Not Started	Awaiting Budget

Tracks the status of each project, including the project health which indicates how well the project is tracking to the established timelines.

Percent Complete Report



Indicates the percentage of the project that has been completed based on the project plan.

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Portfolio Analysis

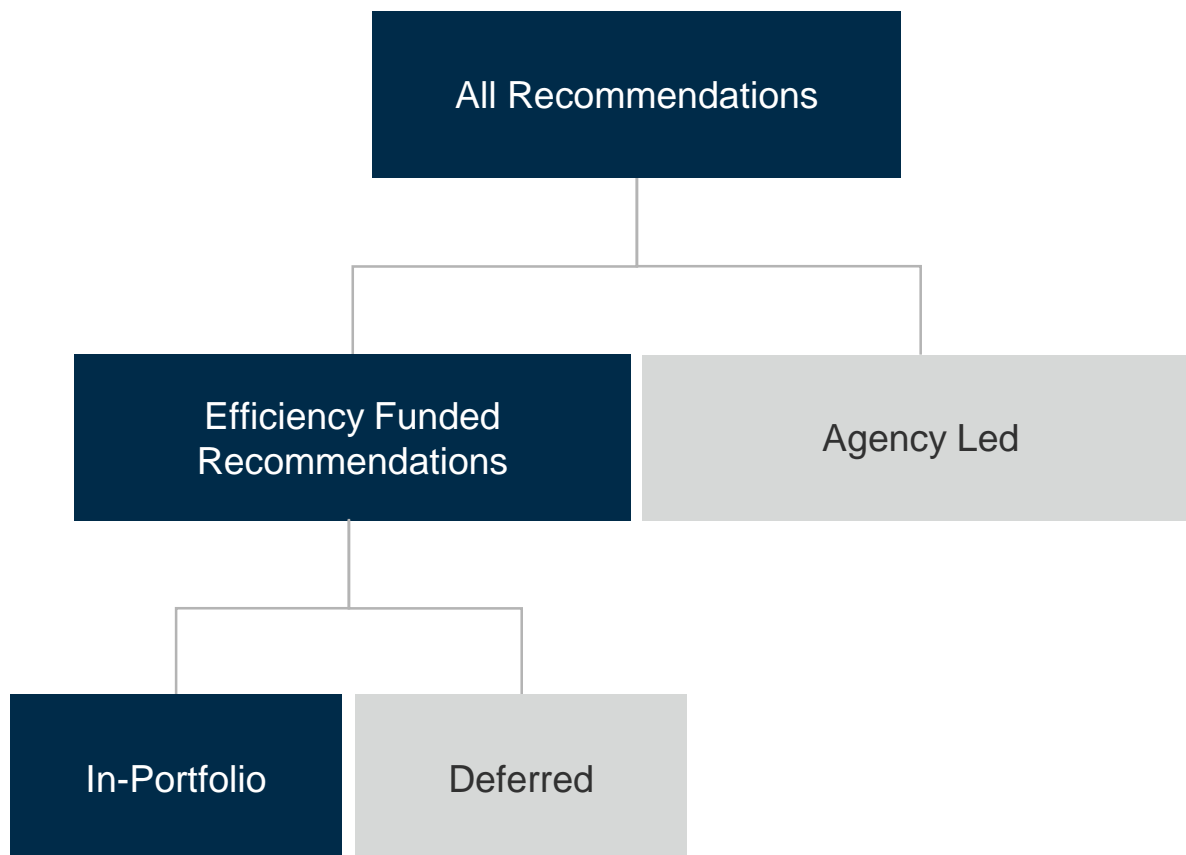
Portfolio Analysis

Alvarez & Marsal (A&M) was re-engaged by the Office of the Governor of the State of Wyoming to continue the efficiency work initiated by the Spending and Government Efficiency (SAGE) Commission in 2017. The Commission set aside \$10M to further the phase II study and fund any implementation costs that should be necessary to realize the savings identified in either phase (I or II).

Over the course of Phase I and Phase II, A&M identified 43 recommendations with up to \$229M in state General Fund savings.

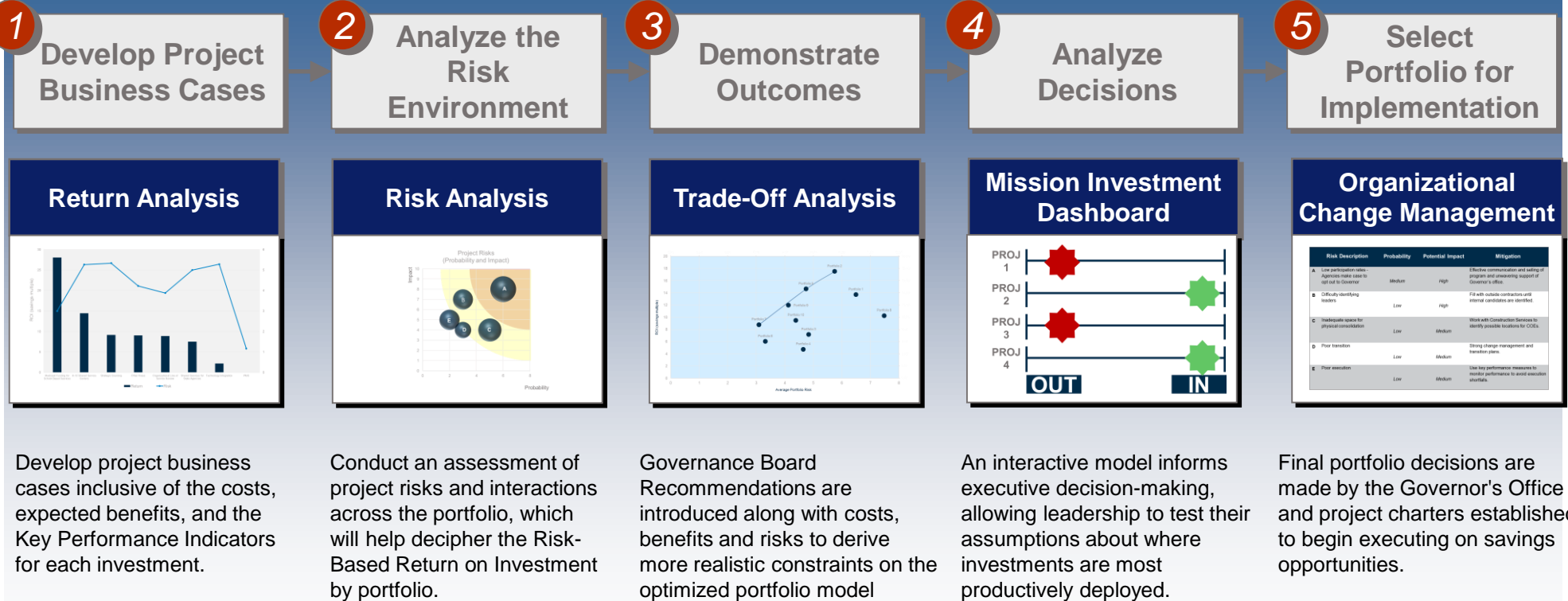
After Phase I, the executive branch prioritized a number of recommendations to pursue in the short term. These were led by the agencies through other funding mechanisms

The efficiency funded recommendations identified during Phase I or subsequently during Phase II, were then analyzed to compare each one's individual risks (personnel, implementation, savings) vs. its return on investment. Ten portfolios of recommendations with varying degrees of risk and return were then created for comparative purposes.

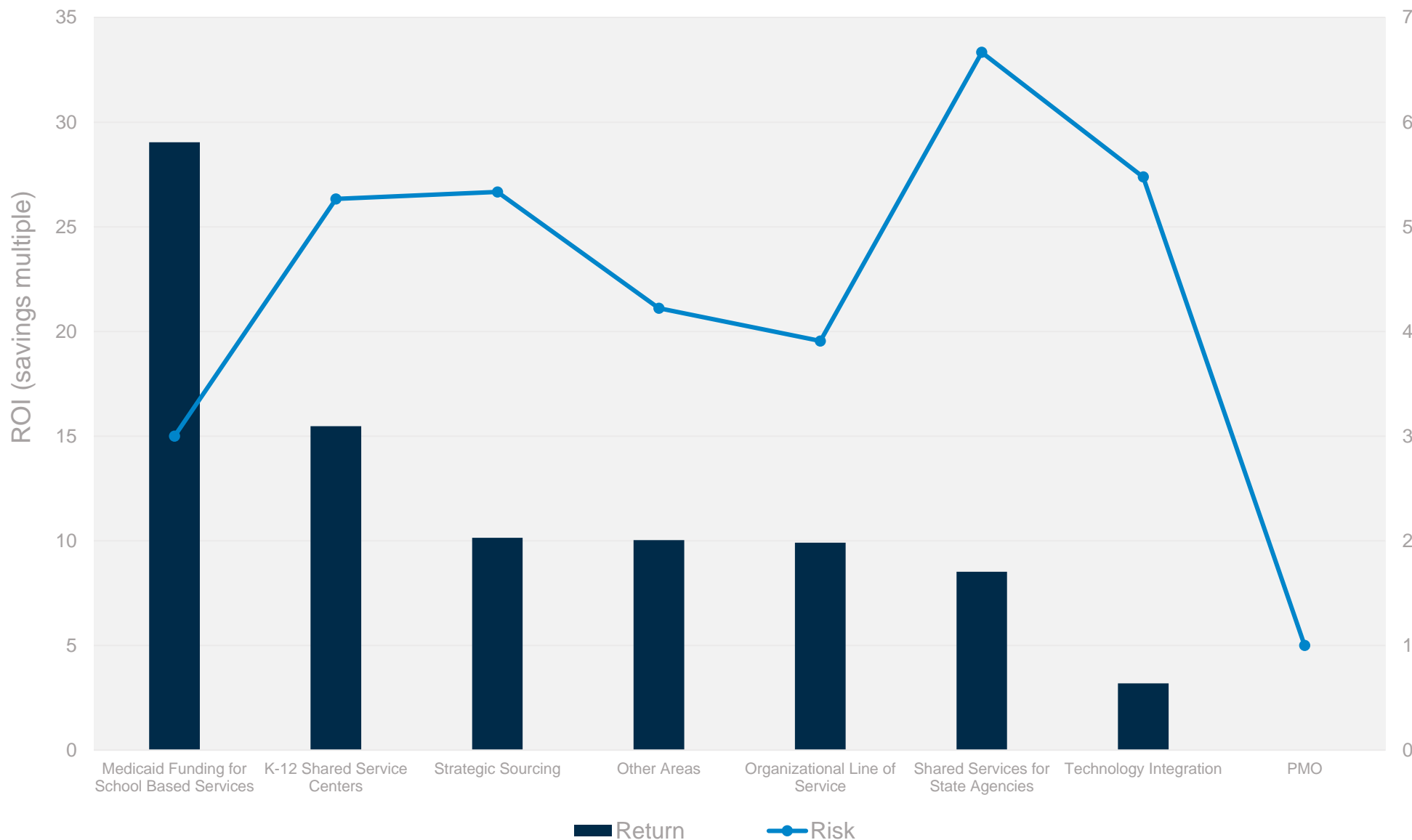


Portfolio Analysis Process

Approach to Portfolio Management



Risk vs. Return by Workstream

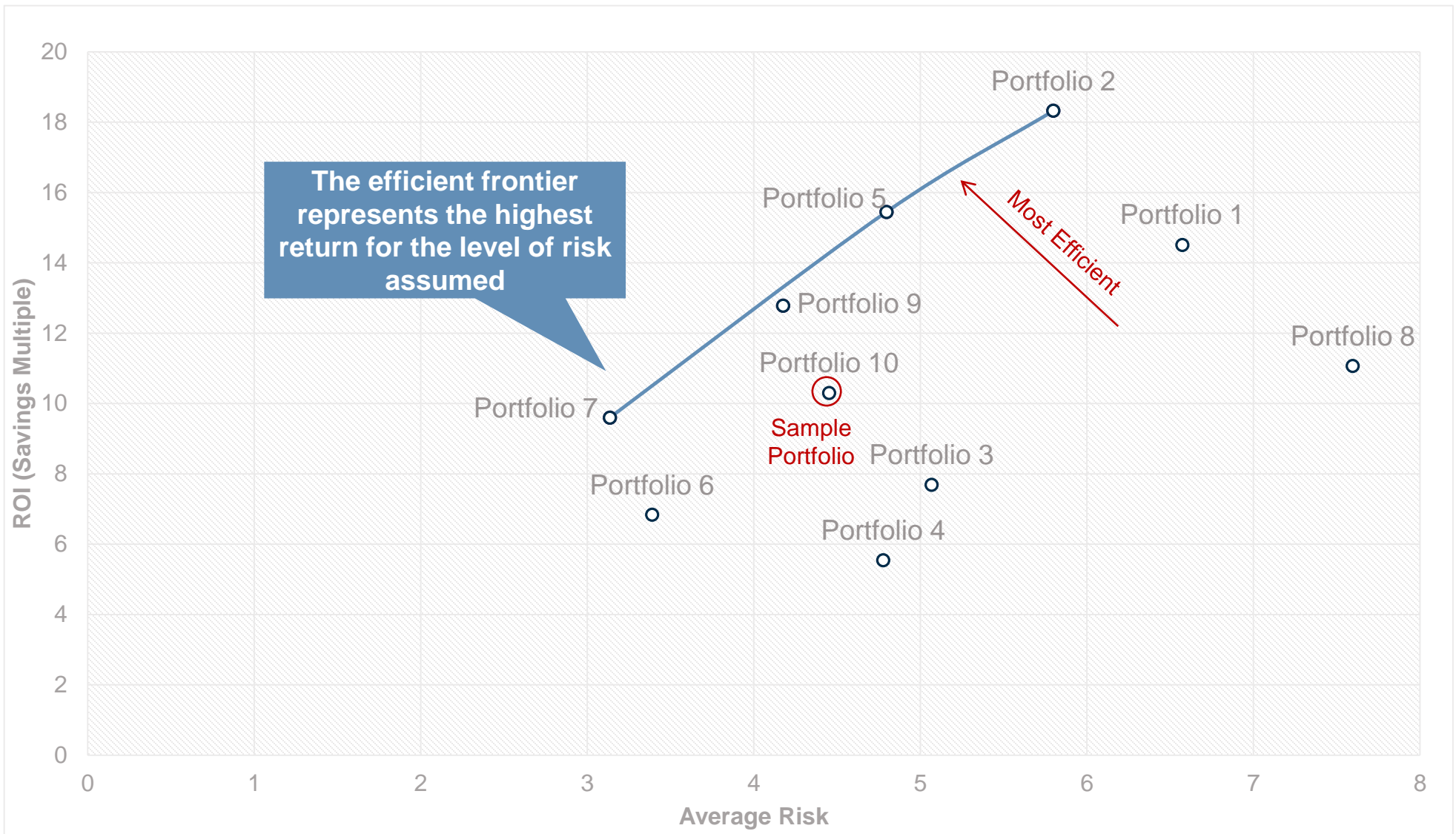


Portfolio Options

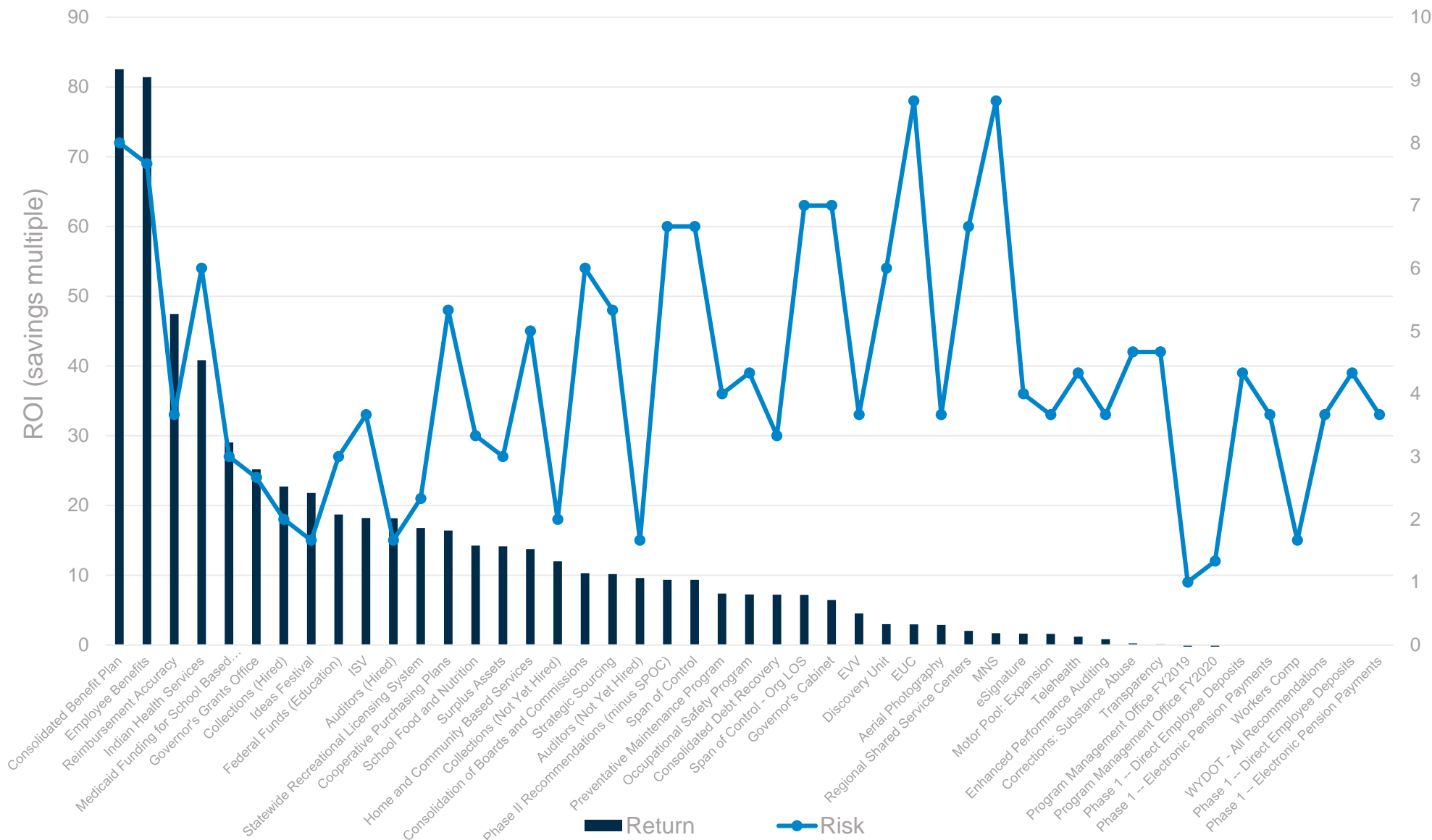
Sample Portfolio

Recommendation	Portfolio 1	Portfolio 2	Portfolio 3	Portfolio 4	Portfolio 5	Portfolio 6	Portfolio 7	Portfolio 8	Portfolio 9	Portfolio 10
PMO										
Program Management Office FY2019	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Technology Integration										
ISV	✓	✓			✓		✓	✓	✓	
MNS						✓		✓		
EUC						✓				
eSignature	✓	✓	✓	✓		✓	✓			✓
Discovery Unit								✓		
Aerial Photography						✓	✓			
Strategic Sourcing	✓	✓	✓	✓	✓				✓	✓
K-12 Shared Service Centers										
Federal Funds (Education)			✓			✓	✓		✓	✓
School Food and Nutrition	✓				✓		✓			
Consolidated Benefit Plan	✓	✓						✓		
Cooperative Purchasing Plans		✓								
Regional Shared Service Centers				✓				✓		
Medicaid Funding for School Based Services		✓			✓	✓	✓		✓	✓
Shared Services for State Agencies	✓		✓		✓				✓	✓
Organizational Line of Service										
Governor's Grants Office							✓		✓	
Employee Benefits					✓			✓		
WYDOT - All Recommendations					✓					
Workers Comp							✓			
Enhanced Performance Auditing										
Occupational Safety Program				✓					✓	
Preventative Maintenance Program		✓	✓						✓	✓
Consolidated Debt Recovery	✓			✓		✓	✓		✓	✓
Statewide Recreational Licensing System			✓	✓					✓	✓
Governor's Cabinet										
Ideas Festival			✓		✓	✓			✓	
Reimbursement Accuracy			✓	✓	✓					
Consolidation of Boards and Commissions					✓					✓
Other Areas										
Transparency	✓	✓	✓	✓	✓	✓	✓	✓		✓
Portfolio Investment	\$ (9,929.98)	\$ (9,955.06)	\$ (10,104.79)	\$ (10,001.36)	\$ (10,006.97)	\$ (9,718.56)	\$ (10,452.10)	\$ (10,481.47)	\$ (9,700.68)	\$ (10,114.70)
Portfolio Savings	\$ 117,506.84	\$ 148,846.17	\$ 63,621.32	\$ 45,298.55	\$ 126,282.63	\$ 53,914.37	\$ 82,731.71	\$ 95,724.76	\$ 100,586.72	\$ 85,302.04

Portfolio Risk vs. Return



Risk vs. Return by Recommendation



Recommendations by Area – In-Portfolio (sample portfolio 10)

Total Life Cycle Savings							
In-Portfolio							
Recommendation	2019	2020	2021	2022	2023	2024	Total
K-12 Shared Service Centers	\$ (139.89)	\$ 248.65	\$ 1,485.82	\$ 1,511.68	\$ 1,537.99	\$ 1,564.76	\$ 6,209.00
Federal Funds (Education)	\$ (139.89)	\$ 248.65	\$ 1,485.82	\$ 1,511.68	\$ 1,537.99	\$ 1,564.76	\$ 6,209.00
Medicaid Funding for School Based Services	\$ (1,233.60)	\$ 7,456.99	\$ 8,165.99	\$ 8,308.11	\$ 8,452.71	\$ 8,599.82	\$ 39,750.02
Organizational Line of Service Review	\$ (875.53)	\$ 781.53	\$ 1,845.13	\$ 2,716.38	\$ 2,927.18	\$ 3,159.16	\$ 10,553.85
Consolidated Debt Recovery	\$ (249.31)	\$ 238.08	\$ 484.44	\$ 653.59	\$ 828.48	\$ 1,023.94	\$ 2,979.20
Consolidation of Boards and Commissions	\$ (101.74)	\$ 139.56	\$ 283.98	\$ 288.92	\$ 293.95	\$ 299.06	\$ 1,203.72
Preventative Maintenance Program	\$ (435.45)	\$ 403.90	\$ 822.49	\$ 1,256.58	\$ 1,278.45	\$ 1,300.70	\$ 4,626.67
Statewide Recreational Licensing System	\$ (89.02)	\$ -	\$ 254.22	\$ 517.30	\$ 526.30	\$ 535.46	\$ 1,744.25
Other Areas	\$ (458.27)	\$ 70.65	\$ 93.18	\$ 112.12	\$ 136.12	\$ 160.92	\$ 114.72
Transparency	\$ (458.27)	\$ 70.65	\$ 93.18	\$ 112.12	\$ 136.12	\$ 160.92	\$ 114.72
PMO	\$ (585.01)	\$ (232.90)	\$ -	\$ -	\$ -	\$ -	\$ (817.91)
Program Management Office FY2019	\$ (585.01)	\$ (232.90)	\$ -	\$ -	\$ -	\$ -	\$ (817.91)
Shared Services for State Agencies	\$ (1,783.51)	\$ 3,312.92	\$ 4,633.98	\$ 6,038.93	\$ 6,144.03	\$ 6,250.97	\$ 24,597.33
Phase II Recommendations (minus SPOC)	\$ (1,240.75)	\$ 2,304.73	\$ 3,223.77	\$ 4,201.16	\$ 4,274.28	\$ 4,348.67	\$ 17,111.86
Span of Control	\$ (542.76)	\$ 1,008.19	\$ 1,410.21	\$ 1,837.77	\$ 1,869.75	\$ 1,902.30	\$ 7,485.46
Strategic Sourcing	\$ (966.53)	\$ 2,970.77	\$ 4,338.88	\$ 4,414.40	\$ 4,491.23	\$ 4,569.39	\$ 19,818.14
Technology Integration	\$ (214.56)	\$ 314.60	\$ 320.07	\$ 325.64	\$ 331.31	\$ 337.08	\$ 1,414.13
eSignature	\$ (214.56)	\$ 314.60	\$ 320.07	\$ 325.64	\$ 331.31	\$ 337.08	\$ 1,414.13
Total	\$ (6,256.91)	\$ 14,923.21	\$ 20,883.06	\$ 23,427.27	\$ 24,020.56	\$ 24,642.09	\$ 101,639.28

Recommendations by Area - Deferred

Total Life Cycle Savings							
Deferred							
Recommendation	2019	2020	2021	2022	2023	2024	Total
K-12 Shared Service Centers	\$ (3,303.82)	\$ 1,844.16	\$ 32,689.98	\$ 34,126.88	\$ 34,720.83	\$ 35,325.12	\$ 135,403.15
Consolidated Benefit Plan	\$ -	\$ (773.23)	\$ 17,387.01	\$ 17,689.62	\$ 17,997.49	\$ 18,310.72	\$ 70,611.61
Cooperative Purchasing Plans	\$ (1,017.40)	\$ 1,895.26	\$ 9,016.36	\$ 9,173.28	\$ 9,332.94	\$ 9,495.37	\$ 37,895.82
Regional Shared Service Centers	\$ (1,735.07)	\$ (2,465.47)	\$ 2,765.72	\$ 3,521.38	\$ 3,582.67	\$ 3,645.02	\$ 9,314.24
School Food and Nutrition	\$ (551.34)	\$ 3,187.59	\$ 3,520.89	\$ 3,742.60	\$ 3,807.74	\$ 3,874.01	\$ 17,581.48
Organizational Line of Service Review	\$ (476.33)	\$ 5,263.11	\$ 12,348.17	\$ 16,034.23	\$ 16,857.80	\$ 17,705.18	\$ 67,732.15
Employee Benefits	\$ -	\$ (258.78)	\$ 3,295.93	\$ 6,706.58	\$ 6,823.31	\$ 6,942.06	\$ 23,509.10
Enhanced Performance Auditing	\$ (321.08)	\$ 133.32	\$ 271.28	\$ 276.00	\$ 280.80	\$ 285.69	\$ 926.01
Governor's Cabinet	\$ (101.74)	\$ 632.39	\$ 1,286.80	\$ 1,309.19	\$ 1,331.98	\$ 1,355.16	\$ 5,813.78
Governor's Grants Office	\$ -	\$ 1,293.89	\$ 3,159.38	\$ 3,214.37	\$ 3,270.31	\$ 3,327.23	\$ 14,265.18
Ideas Festival	\$ -	\$ (41.40)	\$ 253.80	\$ 258.22	\$ 262.71	\$ 267.29	\$ 1,000.62
Occupational Safety Program	\$ (53.51)	\$ 145.19	\$ 295.43	\$ 300.57	\$ 305.80	\$ 311.12	\$ 1,304.60
Reimbursement Accuracy	\$ -	\$ 3,308.98	\$ 3,735.17	\$ 3,800.18	\$ 3,866.32	\$ 3,933.61	\$ 18,644.25
Workers Comp	\$ -	\$ -	\$ -	\$ 16.07	\$ 560.86	\$ 1,124.60	\$ 1,701.53
WYDOT - All Recommendations	\$ -	\$ 49.52	\$ 50.38	\$ 153.05	\$ 155.71	\$ 158.42	\$ 567.08
PMO	\$ -	\$ (1,216.26)	\$ (105.31)	\$ -	\$ -	\$ -	\$ (1,321.57)
Program Management Office FY2020	\$ -	\$ (1,216.26)	\$ (105.31)	\$ -	\$ -	\$ -	\$ (1,321.57)
Technology Integration	\$ (208.09)	\$ (3,124.82)	\$ 4,952.05	\$ 7,134.30	\$ 7,868.03	\$ 8,845.35	\$ 25,466.82
Aerial Photography	\$ -	\$ (415.19)	\$ 2,766.14	\$ 2,814.29	\$ 2,863.27	\$ 2,913.10	\$ 10,941.60
Discovery Unit	\$ -	\$ (2,592.95)	\$ 1,601.81	\$ 2,263.99	\$ 2,948.73	\$ 3,876.22	\$ 8,097.79
EUC	\$ -	\$ (116.67)	\$ (513.04)	\$ 734.49	\$ 734.49	\$ 734.49	\$ 1,573.76
ISV	\$ (169.20)	\$ 531.31	\$ 789.26	\$ 924.01	\$ 924.01	\$ 924.01	\$ 3,923.41
MNS	\$ (38.89)	\$ (531.31)	\$ 307.87	\$ 397.53	\$ 397.53	\$ 397.53	\$ 930.26
Total	\$ (3,988.24)	\$ 2,766.19	\$ 49,884.88	\$ 57,295.41	\$ 59,446.66	\$ 61,875.65	\$ 227,280.56

Recommendations by Area – Agency Led

Total Life Cycle Savings							
Agency Led							
Recommendation	2019	2020	2021	2022	2023	2024	Total
Organizational Line of Service Review	\$ (2,054.19)	\$ 6,426.44	\$ 11,633.39	\$ 17,941.29	\$ 23,739.26	\$ 26,406.47	\$ 84,092.67
Auditors (Hired)	\$ 732.53	\$ 1,117.92	\$ 1,516.50	\$ 1,928.62	\$ 1,962.19	\$ 1,996.34	\$ 9,254.10
Auditors (Not Yet Hired)	\$ -	\$ 1,242.13	\$ 1,895.63	\$ 2,571.49	\$ 3,270.31	\$ 3,327.23	\$ 12,306.80
Collections (Hired)	\$ 915.66	\$ 1,397.40	\$ 1,895.63	\$ 2,410.78	\$ 2,452.73	\$ 2,495.42	\$ 11,567.62
Collections (Not Yet Hired)	\$ -	\$ 2,173.73	\$ 3,317.35	\$ 4,500.11	\$ 5,723.04	\$ 5,822.65	\$ 21,536.89
Corrections: Substance Abuse	\$ (2,311.56)	\$ (1,311.31)	\$ (275.54)	\$ 796.67	\$ 1,906.29	\$ 3,054.30	\$ 1,858.85
Home and Community Based Services	\$ (763.05)	\$ 829.04	\$ 1,686.93	\$ 2,574.44	\$ 3,492.32	\$ 4,441.38	\$ 12,261.05
Indian Health Services	\$ (203.48)	\$ 765.81	\$ 1,257.94	\$ 1,952.09	\$ 2,792.15	\$ 3,058.28	\$ 9,622.79
Span of Control - Org LOS	\$ (68.20)	\$ 180.52	\$ 275.50	\$ 1,041.69	\$ 1,834.47	\$ 1,866.40	\$ 5,130.38
Telehealth	\$ (356.09)	\$ 31.19	\$ 63.47	\$ 165.40	\$ 305.74	\$ 344.48	\$ 554.19
Other Areas	\$ 161.48	\$ 1,039.74	\$ 847.21	\$ 1,076.25	\$ 876.96	\$ 1,114.03	\$ 5,115.67
Phase 1 -- Direct Employee Deposits	\$ -	\$ 668.42	\$ 680.06	\$ 691.89	\$ 703.93	\$ 716.19	\$ 3,460.49
Phase 1 -- Electronic Pension Payments	\$ 161.48	\$ 371.32	\$ 167.15	\$ 384.35	\$ 173.02	\$ 397.85	\$ 1,655.18
Shared Services for State Agencies	\$ -	\$ (517.56)	\$ 161.13	\$ (21.96)	\$ 442.58	\$ 5,858.69	\$ 5,922.88
Motor Pool: Expansion	\$ -	\$ (517.56)	\$ 161.13	\$ 299.47	\$ 442.58	\$ 590.58	\$ 976.21
Surplus Assets	\$ -	\$ -	\$ -	\$ (321.44)	\$ -	\$ 5,268.11	\$ 4,946.67
Technology Integration	\$ -	\$ (414.04)	\$ 351.22	\$ 714.66	\$ 727.10	\$ 739.76	\$ 2,118.69
EVV	\$ -	\$ (414.04)	\$ 351.22	\$ 714.66	\$ 727.10	\$ 739.76	\$ 2,118.69
Total	\$ (1,892.71)	\$ 6,534.58	\$ 12,992.95	\$ 19,710.24	\$ 25,785.90	\$ 34,118.96	\$ 97,249.92

APPENDIX G

Agency	2017 Recommendations	Action Level	A&M	Estimated time to	Est. Savings ₁	Est. Savings	Est. Savings	Post-2018 Session Status	Post-2019 Session Status
			Page #	Full Implementation	12/31/2018	6/30/2019	12/31/2019	2018 Session Legislative actions related to recommendations	2018 Session Legislative actions related to recommendations
WDH	Telemedicine Expansion	Immediate	Pg 11, 82, 92	6 months	0	64,977	129,955	No 2018 Legislative Action.*	No 2019 Legislative Action.
WDH	Indian Health Services	Immediate with Budget	Pg 11, 87, 92	12-24 months	0	1,102,507	5,512,535	No 2018 Legislative Action. ¹	No 2019 Legislative Action.
WDH	Home and Community Based Services Expansion	Immediate with Budget	Pg 11, 86, 92	12-24 months	0	440,231	2,201,156	2018 HB 0001 appropriated half of the WDH's \$6.6 million exception request for increased HCBS long term care waiver services; other half of exception request funding was set-aside pending further Legislative appropriation in 2019; also appropriated \$20 million (\$10M GF and \$10M FF) for Developmental/Intellectual Disabilities Waivers	2019 HB 0001 appropriated the second half (FY2020) of requested exception funding (\$3,302,100 - \$1,651,050 GF and \$1,651,050 FF); also increased appropriations to the Community Choice Waiver program for elderly individuals that could otherwise be admitted to a long-term care facility (\$3,522,240 - \$1,761,120 GF and \$1,761,120 FF); increased appropriations to community-based resources centers for elderly (\$450,000 GF).
WDH	Electronic Visit Verification	Immediate with Budget	Pg 11, 84, 92	12-18 months	0	1,644,155	3,288,309	No 2018 Legislative Action.*	2019 HB 0001 appropriated \$2,364,132 (\$394,861 GF and \$1,969,270 FF) to implement an electronic visit verification system, as required by federal law; the project cost also includes one (1) full-time position.
WDE	Special Education	Legislative	Pg 56-57, 69	6-12 months	0	0	0	2018 HB 0140 amended W.S. 21-13-321: (b) ... <u>The statewide total amount reimbursed under this section in school year 2019-2020 or 2020-2021 shall not exceed the statewide total amount reimbursed under this section in school year 2018-2019, notwithstanding any additional appropriation for that purpose by the legislature.</u> Also, the bill specifies in Section 4 that the WDE shall review <u>state statutes</u> and its <u>rules relating to special education</u> for any possible fiscal efficiencies, and report to the JEC by June 1, 2018 suggested changes to statute or rule and any rulemaking conducted as a result of its review. The WDE must also, on or before January 1, 2019, establish statewide guidelines for adequate special education staffing levels.	See comments for "School Based Medicaid Services." ²
WDE	School Nutrition	Immediate with Budget	Pg 56-57, 69	12-18 months	0	1,739,880	5,219,639	No 2018 Legislative Action	No 2019 Legislative Action.
WDE	School Based Medicaid Services	Legislative	Pg 56-57, 65-66, 69	6-12 months	0	2,250,000	4,500,000	No 2018 Legislative Action. School Districts could continue to explore recommendation implementation	2019 HB 0001, Section 344 authorized the Wyoming Department of Health to negotiate with the federal government to amend the state's Medicaid plan to cover reimbursements to school districts for qualifying special education services. The WDH and the Department of Education must report to the Legislature by October 1, 2019 on statute or other recommended changes for full implementation beginning July 1, 2020 as well as propose an exception request for the FY2021-2022 biennial budget. ²
WDE	Consolidated Benefit Plan	Legislative	Pg 30, 58, 69	12 months	0	4,236,368	8,472,736	No 2018 Legislative Action	No 2019 Legislative Action.
WDE	Cooperative Purchasing Plans	Legislative	Pg 43, 58, 60, 64, 68, 69	12-18 months	0	2,105,642	4,211,285	2018 HB 0001 requires the Department of Enterprise Technology Services to study the feasibility of bulk technology purchasing programs for school districts (Section 2, Section 077, Footnote #1)	No 2019 Legislative Action.
WDE	Regional Shared Services Model	Legislative	Pg 64, 67, 69	12-24 months	0	0	1,600,134	2018 SF 120 creates the State Savings and Efficiency Initiatives Account and authorizes the Governor's Office to fund projects related to this recommendation (Section 1(c)(iii));	No 2019 Legislative Action. ²

November 2017 Government Efficiency Study Summary of Recommendations: **Post-2018 and 2019 Session Status**

Agency	2017 Recommendations	Action Level	A&M	Estimated time to	Est. Savings 1	Est. Savings	Est. Savings	Post-2018 Session Status	Post-2019 Session Status
			Page #	Full Implementation	12/31/2018	6/30/2019	12/31/2019	2018 Session Legislative actions related to recommendations	2018 Session Legislative actions related to recommendations
A&I	Establish a Governor's Grants Office	Legislative or Executive	Pg 13, 42, 46, 47	6-12 months	0	562,500	1,125,000	2018 SF 120 authorizes the Governor to designate staff to provide assistance in obtaining, tracking and monitoring federal grant funding and to work with the State Auditor to develop a grants management system (Section 1(j))	Pursuant to a Governor's Letter, 2019 HB 0001 appropriated one (1) full-time employee (FTE) as an engineer position and \$106,250 GF (\$170,000/biennium) to the Office of State Lands and Investments to assist local governments with infrastructure projects and a clearer means to apply for and get grants and loans. The associated budget footnote requires a report by October 1, 2019 to the Legislature on the position's work with and assistance to local governments.
A&I	Surplus Asset Sales	Executive	Pg 47	3-6 months	0	2,375,000	2,375,000	No 2018 Legislative Action.*	No 2019 Legislative Action.
A&I	Space Utilization Study	Legislative	Pg 44, 47	12-24 months	0	0	0	No 2018 Legislative Action.*	No 2019 Legislative Action. The Department of A&I has reported to the Government Efficiency Commission and the Joint Appropriations Committee that the Department conducted a space utilization study and is working with the State Building Commission to develop standard use policies for agencies. No completion date has been formally announced.
A&I	Expand Motor Pool Shared Services	Immediate	Pg 45	6-12 months	0	18,750	37,500	No 2018 Legislative Action.*	No 2019 Legislative Action.
A&I	Establish a Performance Based Budgeting Approach	Immediate	Pg 42, 47	12-24 months	0	0	0	2018 SF 120 creates the State Savings and Efficiency Initiatives Account and authorizes the Governor's Office to fund projects related to this recommendation (Section 1(c)(viii)); <i>impact of implementation may be dependent on coordination and cooperation with Legislature/JAC in working through overall budget request and appropriations process</i>	No 2019 Legislative Action. In preparing for the FY2021-2022 biennial budget, the Governor has requested agencies analyze tradeoffs that can be accomplished through efficiencies as well as through a "State of the Agency" narrative efficiencies already implemented. https://drive.google.com/file/d/1NJGt12jgZZGrGd8h1Y8z5fJxO8ml35wr/view
WDR/ Audit	Hire back 8 Audit Staff	Executive	Pg 102, 106	3-6 months	0	900,000	2,700,000	2018 HB 0001 appropriated 5 Additional audit positions (2 for DOR and 3 for DOA; approp. \$786,000, 95% GF), and includes reporting requirements for December 31, 2019 and June 30, 2020 (Section 2, Sections 011 and 021, Footnote #3 and Footnote #1 , respectfully)	No 2019 Legislative Action. The preliminary report required from 2018 HB 0001 will be provided to the Legislature's Management Council and Wyoming Spending and Government Efficiency Commission by December 1, 2019.
WDR/ Audit	Hire back 10 Collections Staff	Executive	Pg 102, 106	3-6 months	0	1,312,500	3,937,500		
WDR/ Audit	Establish Discovery Unit	Legislative or Executive	Pg 13, 100-104, 106	12-24 months	0	1,406,250	2,812,500	No 2018 Legislative Action.*	No 2019 Legislative Action. In its 2019 Supplemental Budget Request, the Department of Revenue requested \$175,000 for an in-house Business Intelligence Tool to assist with implementing a Discovery Unit recommendation. 2019 HB 001 appropriated \$\$1,000,000 GF, one-time, and added a budget footnote to allow the department to expend these funds as required to meet its prioritized information technology needs outlined in the budget request, including the Business Intelligence Tool, or other IT needs , and to require the Department to report to the Legislature by December 1, 2019 on how it has expended these funds.
WDR/ Audit	Local Property Tax	Immediate with Budget	Pg 103, 106	12-18 months	0	374,373	748,746	No 2018 Legislative Action	No 2019 Legislative Action. In its 2019 Supplemental Budget Request, the Department of Revenue requested \$2,255,372 GF for an oblique and orthogonal aerial imagery project to more consistent and accurate property tax assessments. The Legislature denied this request (Governor's also denied this request).

November 2017 Government Efficiency Study Summary of Recommendations: **Post-2018 and 2019 Session Status**

Agency	2017 Recommendations	Action Level	A&M	Estimated time to	Est. Savings 1	Est. Savings	Est. Savings	Post-2018 Session Status	Post-2019 Session Status
			Page #	Full Implementation	12/31/2018	6/30/2019	12/31/2019	2018 Session Legislative actions related to recommendations	2018 Session Legislative actions related to recommendations
Cross-Agency	Statewide Strategic Sourcing Exercise	Immediate with Budget	Pg 31-32	12-24 months	0	937,500	2,812,500	2018 SF 120 creates the State Savings and Efficiency Initiatives Account and authorizes the Governor's Office to fund projects related to this recommendation (Section 1(c)(vi)); 2018 HB 0001 requires state agencies to use the Department of Enterprise Technology Services semi-annual technology purchasing program and report to the Legislature on savings (Section 324)	No 2019 Legislative Action. 2018 Wyoming Spending and Government Efficiency Commission recommended future efforts to implement strategic sourcing for the state.
Cross-Agency	Electronic Payment of Pension Benefits	Legislative	Pg 29	12 months	0	80,000	160,000	Individual legislator considered idea for the 2018 Session but after discussion with agencies, legislation was not pursued	No 2019 Legislative Action.
Cross-Agency	Direct Deposit of Employee Contributions	Legislative	Pg 29	12 months	0	322,875	645,750	Individual legislator considered idea for the 2018 Session but after discussion with agencies, legislation was not pursued	No 2019 Legislative Action.
Cross-Agency	Implement Span of Control Changes	Executive	Pg 33	12-24 months	0	919,574	2,758,722	2018 SF 120 creates the State Savings and Efficiency Initiatives Account and authorizes the Governor's Office to fund projects related to this recommendation (Section 1(c)(iv))	No 2019 Legislative Action. 2018 Wyoming Spending and Government Efficiency Commission issued a letter to the Joint Appropriations Committee to consider span of control when reviewing agency budget requests in the future.
Cross-Agency	Employee Benefits Revisions	Legislative	Pg 30	12 months	0	3,750,000	7,500,000	No 2018 Legislative Action to change benefit statutes. 2018 HB 0001 changed funding support for retiree health insurance (current benefit payments and the 0.6% pre-payment amount) for total \$8.0 million GF, \$634,000 FF, and \$1.4 million OF savings to the FY2019-2020 biennium only.	No 2019 Legislative Action.
Other \$20M	Corrections Substance Abuse Program	Immediate with Budget	Pg 111, 120	12-18 months	0	0	2,512,964	2018 HB 0001 appropriated \$3.7 million additional GF and TT for re-establishing some SA treatment programs that were discontinued with previous budget cuts	No 2019 Legislative Action.
Other \$20M	Department of Transportation - Various Recommendations	Executive	Pg 114, 120	6-12 months	0	86,420	172,840	No 2018 Legislative Action	No 2019 Legislative Action.
Other \$20M	Enable Workers Compensation Debt Write-off	Executive	Pg 119, 120	6 months	0	625,000	625,000	No 2018 Legislative Action	No 2019 Legislative Action.
Executive Summary	Establish a PMO	Executive	Pg 13	12-24 months				2018 SF 120 creates the State Savings and Efficiency Initiatives Account and authorizes the Governor's Office to accept proposals and fund projects, for which savings shall be identified and quantified according to adopted procedures and standards/methods (Section 1(c), (d), & (e))	No 2019 Legislative Action. Governor's Office executed a contract with efficiency consultant Alvarez and Marsal, Public Sector Services to establish detailed efficiency project/program implementation plans and establish a project management office. As of July 1, 2019, the contract is mostly complete.
Executive Summary	Conduct an Organizational Study	Executive	Pg 13, 41, 80	6 months				2018 SF 120 creates the State Savings and Efficiency Initiatives Account and authorizes the Governor's Office to fund projects related to this recommendation (Section 1(c)(iv))	No 2019 Legislative Action.
Executive Summary	Technology Integration Study	Executive	Pg 13, 28, 42, 85, 112	6 months				2018 SF 120 creates the State Savings and Efficiency Initiatives Account and authorizes the Governor's Office to fund projects related to this recommendation (Section 1(c)(i))	No 2019 Legislative Action.

November 2017 Government Efficiency Study Summary of Recommendations: **Post-2018 and 2019 Session Status**

Agency	2017 Recommendations	Action Level	A&M	Estimated time to	Est. Savings _†	Est. Savings	Est. Savings	Post-2018 Session Status	Post-2019 Session Status
			Page #	Full Implementation	12/31/2018	6/30/2019	12/31/2019	2018 Session Legislative actions related to recommendations	2018 Session Legislative actions related to recommendations
Executive Summary	Other Agency Reviews	Executive	Pg 13	3-6 months				2018 SF 120 creates the State Savings and Efficiency Initiatives Account and authorizes the Governor's Office to fund projects related to this recommendation (Section 1(c)(iii & vii)); 2018 HB 0001 requires reviews/reporting of various agencies or programs for efficiencies/necessities: WDE reviews of St. Stephens school and national teacher certification program (Section 206, Footnotes #2 & #3); Environmental Quality Council (Section 220); University Medical Residency program (Section 324 Task Force); 2018 Joint Appropriations and Joint Labor Interim Committees studying potential change in operation or ownership of Wyoming Retirement Center and Wyoming Pioneer Home	2019 HB 221 modifies the status of the University of Wyoming Family Practice Residency program to statutorily recognize the program and implement requirements to contract with federally qualified health centers (FQHC) to ensure continued and increased access to federal reimbursements for services.
Executive Summary	Annual Ideas Festival	Legislative	Pg 11	6 months				2018 SF 120 creates the State Savings and Efficiency Initiatives Account and authorizes the Governor's Office to fund events related to this recommendation (Section 1(k))	No 2019 Legislative Action.

† Estimated savings are from the November 2017 Alvarez and Marsal Report and assumed a January 1, 2018 start to implementation.

* Executive Branch could continue to explore recommendation implementation under current agency authorizations (e.g. statutes, appropriations, etc.)

1 The Legislature passed a budget footnote in the 2015 Supplemental Budget Bill (2015 Wyoming Session Laws, Chapter 142, Section 2, Section 048, footnote #22) to authorize the Wyoming Department of Health to cooperate with the tribes on the Wind River Indian Reservation to implement a Medicaid uncompensated care waiver for the tribes. To date, there has been no additional legislative authorization and the waiver has not been implemented.

<https://www.wyoleg.gov/InterimCommittee/2018/STR-20180827DeptofHealth-SelectCommitteeonTribalRelations08.27.18.pdf>

2 The 2019 Joint Education Interim Committee is assigned to study multiple efficiency-related topics: Priority #2 - K-12 funding model special education components; Priority #3 - Medicaid reimbursement for school-based services; Priority #3 - K-12 regional shared services.

<https://wyoleg.gov/Committees/2019/I04>

APPENDIX H

Final Portfolio of Efficiency Recommendations

Appendix H

Total 5 Year (estimated)			21 - 22 Biennium (estimated)						21 - 22 Total Savings/ Avoidance Est. (\$000s)			Comment
Recommendation	Lead Agency	Portfolio	PV Net Savings (\$000s)	PV Investment (\$000s)	State - Savings (\$000s)	State - Avoidance (\$000s)	Local - Savings (\$000s)	Local - Avoidance (\$000s)		ROI	Risk	
PMO												
PMO FY2019	Governor	X	\$0.00	(\$777.07)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.0	1.00	The PMO should be established and operated within state government ("in-house"), with no other conditions for its implementation or deadline for its conclusion.
Technology Integration												
ISV (Independent Software Vendors)	ETS	X	\$3,554.05	(\$195.50)	\$1,713.27	\$0.00	\$0.00	\$0.00	\$1,713.27	18.2	3.67	
EVV (Electronic Visit Verification)	Health	X	\$1,715.55	(\$382.22)	\$1,065.88	\$0.00	\$0.00	\$0.00	\$1,065.88	4.5	3.67	1
Strategic Sourcing	A&I	X	\$16,695.62	(\$1,645.30)	\$8,753.28	\$0.00	\$0.00	\$0.00	\$8,753.28	10.1	5.33	
Federal Funds (Education)	WDE	X	\$2,878.45	(\$186.60)	\$0.00	\$0.00	\$2,044.75	\$0.00	\$2,044.75	15.4	3.00	
Medicaid Funding for School Based Services	WDH/WDE	X	\$33,706.90	(\$1,160.93)	\$0.00	\$0.00	\$16,474.10	\$0.00	\$16,474.10	29.0	3.00	1
Shared Services for State Agencies												
Span of Control	A&I	X	\$6,253.38	(\$669.78)	\$2,435.99	\$812.00	\$0.00	\$0.00	\$3,247.98	9.3	6.67	1
Phase II Recommendations (minus SPOC)	A&I	X	\$14,295.31	(\$1,531.13)	\$7,424.93	\$0.00	\$0.00	\$0.00	\$7,424.93	9.3	6.67	
Motor Pool: Expansion	A&I	X	\$747.29	(\$477.77)	\$60.08	\$400.52	\$0.00	\$0.00	\$460.60	1.6	3.67	
Surplus Assets	A&I	X	\$3,870.27	(\$273.92)	(\$321.44)	\$0.00	\$0.00	\$0.00	(\$321.44)	14.1	3.00	
Organizational Line of Service												
Governor's Grants Office	Governor	X	\$12,030.73	(\$477.77)	\$6,373.75	\$0.00	\$0.00	\$0.00	\$6,373.75	25.2	2.67	
Employee Benefits	A&I	X	\$19,447.13	(\$238.88)	\$5,001.26	\$5,001.26	\$0.00	\$0.00	\$10,002.51	81.4	7.67	
Ideas Festival	Governor	X	\$832.29	(\$38.22)	\$256.01	\$256.01	\$0.00	\$0.00	\$512.02	21.8	1.67	This recommendation should be renamed the <i>Innovations Summit</i> , or as determined by the Governor
Reimbursement Accuracy	Health	X	\$15,865.80	(\$334.44)	\$7,535.35	\$0.00	\$0.00	\$0.00	\$7,535.35	47.4	3.67	
Auditors (Hired)	Audit	X	\$7,901.32	(\$434.94)	\$3,445.12	\$0.00	\$0.00	\$0.00	\$3,445.12	18.2	1.67	1
Auditors (Not Yet Hired)	Audit	X	\$10,314.25	(\$1,074.98)	\$4,467.12	\$0.00	\$0.00	\$0.00	\$4,467.12	9.6	1.67	1
Collections (Hired)	Revenue	X	\$9,876.65	(\$434.94)	\$4,306.40	\$0.00	\$0.00	\$0.00	\$4,306.40	22.7	2.00	
Collections (Not Yet Hired)	Revenue	X	\$18,049.94	(\$1,504.98)	\$7,817.46	\$0.00	\$0.00	\$0.00	\$7,817.46	12.0	2.00	
Consolidation of Boards and Commissions	Governor	X	\$1,005.08	(\$97.75)	\$429.67	\$143.22	\$0.00	\$0.00	\$572.89	10.3	6.00	
Total Recommended			\$179,040.03	(\$11,937.12)	\$60,764.14	\$6,613.01	\$18,518.86	\$0.00	\$85,896.00			

¹ State implementation has already begun through legislative and/or executive authorization.

Note: These recommendations and estimated costs and savings were developed by the efficiency consultant Alvarez and Marsal Public Sector Services, LLC.

APPENDIX I

DATE July 19, 2019

TO Kevin Hibbard, Deputy Director for Budget and Economic Analysis
Department of Administration and Information

FROM Michael Swank, LSO Senior Fiscal Analyst
Abigail Boudewyns, Research Manager

SUBJECT 2019 Government Spending and Efficiency Commission
Recommendation Portfolio

On behalf of the 2019 Wyoming Spending and Government Efficiency Commission (Commission), this memorandum summarizes the portfolio of efficiency recommendations prioritized by the Commission for further analysis and implementation through the FY2021-2022 biennium and beyond. As you recall, the majority of these recommendations are based on the Wyoming Government Savings and Efficiency Project Final Report, dated January 19, 2019, provided to the Governor and Commission by Alvarez and Marsal Public Sector Services, LLC (A&M).

To view the full report and addendum, go to the LSO website.

Report – [FinalReport_Consolidated1.24.19v1.pdf](#)

Addendum – [FinalReport_Consolidated_ADDENDUM2-24-2019.pdf](#)

Attachment A to this memorandum provides a summary of the Commission-adopted portfolio of efficiency recommendations from the A&M report. In addition to Attachment A, the Commission made the following recommendations:

- The Commission recommends the Governor consider issuing an executive order for purchasing and procurement enforcement authority for the Department of Administration and Information’s Procurement Section to ensure state agencies procure products and services in the most efficient manner possible, e.g. use of statewide procurement contracts wherever possible, with limited and justifiable exceptions.
- The Commission recommends the Department of Administration and Information and the State Auditor’s Office collaborate with the Budget Office to review options for implementing an efficient and cost-effective Human Resource Information System (HRIS), and when possible, procure and implement the system.

The Commission also respectfully requests the Budget Division, in consultation with state agencies and the Governor, provide the Legislative Service Office with any recommended

statutory changes that should be considered during the 2020 Budget Session to move these recommendations forward.

Finally, the Commission also respectfully requests that it receive updates, as soon as practicable, of how Commission-adopted efficiency recommendations, as well as other efficiency recommendations initiated by state agencies or the Governor, will be pursued, funded and implemented by the following methods:

- Within the FY2021-2022 biennial budget within an agency's standard budget request.
- With funding from an exception budget request.
- With funds from the State Savings and Efficiency Initiatives Account, as established in 2018 SF 120 (2018 Wyoming Session Laws, Ch. 112, Section 1(b); estimated balance of \$8.2 million)

Should you desire additional information or clarification, please do not hesitate to contact us at 307-777-7881.

Cc: Mark Gordon, Governor
Patricia Bach, Interim Director, Department of Administration and Information
Members, Wyoming Government Spending and Efficiency Commission
Members, Management Council, Wyoming Legislature
Members, Joint Appropriations Committee
Matt Obrecht, Director, Legislative Service Office

APPENDIX J

DATE August 26, 2019

TO Senator Drew Perkins, Chairman
Eric Barlow, Vice-Chairman
Members, Management Audit Committee

FROM Michael Swank, Senior Fiscal Analyst, Legislative Service Office

SUBJECT Legislative Review of Efficiency Recommendations

On behalf of the Wyoming Spending and Government Efficiency Commission (Commission), I am writing to respectfully request the Management Audit Committee (MAC) further review and consider potential legislative actions related to the Commission's portfolio of nineteen (19) efficiency recommendations developed during its July 15, 2019 meeting. Based on 2018 SF 120 (2018 Wyoming Session Laws, Ch. 112, Section 2(f)), the Commission is required to report and outline "any legislative changes recommended to the commission during the course of its work or which are independently identified by the commission."

In fulfilling this requirement, the Commission was provided a final report of potential State efficiencies, dated January 18, 2019, by efficiency consultant Alvarez and Marsal, Public Sector Services, LLC. (Alvarez and Marsal). The Commission has included within its portfolio of efficiency recommendations that the State consider potential changes to how information technology services and expenditures are managed. As the MAC is the home committee for the Department of Enterprise Technology Services (ETS), the Commission believes this committee is the most knowledgeable and best equipped to further review this recommendation related to potential legislative actions to facilitate its implementation. Specifically, the Commission recommends the MAC review Alvarez and Marsal's recommendation on independent software vendors with the ETS with the goal of bringing cost-effective, efficient and consistent use of third-party managed service agreements throughout the State enterprise.

The pertinent sections of the final report from Alvarez and Marsal related to this recommendation are attached to this memorandum.

Please consider this recommendation in your remaining deliberations and discussions during the 2019 interim.

If you wish to view the full Alvarez and Marsal Phase II report, informational addendum, or amended K-12 school district shared services plan, please use the following links:

Final Report: **Wyoming Government Savings and Efficiency Project Final Report, January 18, 2019**

Informational Addendum: **Wyoming Government Savings and Efficiency Project Final Report – Addendum, March 25, 2019**

Revised K-12 Shared Services: **Wyoming Government Savings and Efficiency Project Final Report, Revised Implementation Plan Education, June 3, 2019**

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael Swank", with a stylized flourish at the end.

Michael Swank, Senior Fiscal Analyst
Legislative Service Office

Cc: Members, Management Council
Matt Obrecht, Director, Legislative Service Office
Joy Hill, Program Evaluation Manager, Legislative Service Office
Mark Gordon, Governor
Gordon Knopp, Director/Chief Information Officer, ETS

DATE August 26, 2019

TO Senator Eli Bebout, Co-Chairman
Representative Bob Nicholas, Co-Chairman
Members, Joint Appropriations Committee

FROM Senator Drew Perkins, Chairman
Wyoming Spending and Government Efficiency Commission

SUBJECT Legislative Review of Efficiency Recommendations

On behalf of the Wyoming Spending and Government Efficiency Commission (Commission), I am writing to respectfully request Joint Appropriations Committee (JAC) further review and consider potential legislative actions related to the Commission's portfolio of nineteen (19) efficiency recommendations developed during its July 15, 2019 meeting. Based on 2018 SF 120 (2018 Wyoming Session Laws, Ch. 112, Section 2(f)), the Commission is required to report and outline "any legislative changes recommended to the commission during the course of its work or which are independently identified by the commission."

In fulfilling this requirement, the Commission was provided a final report of potential state efficiencies, dated January 18, 2019, by efficiency consultant Alvarez and Marsal, Public Sector Services, LLC. (Alvarez and Marsal). The Commission has included within its portfolio of efficiency recommendations that the state consider potential legislative actions related to administrative functions and services across state agencies. The Commission believes the JAC is most knowledgeable and best equipped to thoroughly review and consider appropriate legislative responses during the FY2021-2022 biennial budget discussions related to following recommendations:

1. The Commission recommends that the JAC continue to consider state span of control issues related to agency supervisors-to-subordinate staffing ratios.¹
2. The Commission recommends the JAC consider the potential advantages, disadvantages and feasibility in establishing Centers of Excellence within state agencies for enterprise administrative functions, e.g. human resources, accounting, purchasing, etc. that could promote efficiency and consistency across state government.

¹ The Commission submitted a letter to the JAC during the 2018 interim requesting the JAC also consider span of control during deliberations of the 2019 Supplemental Budget.

Attached to this memorandum is the Commission's 2018 memo to JAC related to span of control as well as relevant portions of the 2019 Alvarez and Marsal final report related to state shared services.

Please consider this recommendation in your remaining deliberations and discussions during the 2019 interim and review of the Governor's FY2021-2022 biennial budget request.

If you wish to view the full Alvarez and Marsal Phase II report, informational addendum, or amended K-12 school district shared services plan, please use the following links:

Final Report: **Wyoming Government Savings and Efficiency Project Final Report, January 18, 2019**

Informational Addendum: **Wyoming Government Savings and Efficiency Project Final Report – Addendum, March 25, 2019**

Revised K-12 Shared Services: **Wyoming Government Savings and Efficiency Project Final Report, Revised Implementation Plan Education, June 3, 2019**

Sincerely,

A handwritten signature in black ink, appearing to read "Drew Perkins", with a stylized flourish at the end.

Senator Drew Perkins, Chairman
Wyoming Spending and Government Efficiency Commission

Cc: Members, Management Council
Matt Obrecht, Director, Legislative Service Office
Don Richards, Budget-Fiscal Administrator, Legislative Service Office
Mark Gordon, Governor
Patricia Bach, Interim Director, Department of Administration and Administration
Kevin Hibbard, Deputy Director for Budget and Economic Analysis, Department of Administration and Information

DATE August 26, 2019

TO Senator Cale Case, Co-Chairman
Representative Dan Zwonitzer, Co-Chairman
Members, Joint Revenue Interim Committee

FROM Senator Drew Perkins, Chairman
Wyoming Spending and Government Efficiency Commission

SUBJECT Legislative Review of Efficiency Recommendations

On behalf of the Wyoming Spending and Government Efficiency Commission (Commission), I am writing to respectfully request Joint Revenue Interim Committee (JRC) further review and consider potential legislative actions related to the Commission's portfolio of nineteen (19) efficiency recommendations developed during its July 15, 2019 meeting. Based on 2018 SF 120 (2018 Wyoming Session Laws, Ch. 112, Section 2(f)), the Commission is required to report and outline "any legislative changes recommended to the commission during the course of its work or which are independently identified by the commission."

In fulfilling this requirement, the Commission was provided a final report of potential State efficiencies, dated January 18, 2019, by efficiency consultant Alvarez and Marsal, Public Sector Services, LLC. (Alvarez and Marsal). The Commission has included within its portfolio of efficiency recommendations that the State continue to consider staffing adjustments to the Department of Revenue collections staff and the Department of Audit auditor staff. The Commission believes the JRC is most knowledgeable and best equipped to thoroughly review and consider appropriate legislative responses to these recommendations and provide guidance to the Joint Appropriations Committee for the upcoming FY2021-2022 biennial budget hearings.

If you recall, the Legislature appropriated additional positions and funding to these agencies in the 2018 Budget Bill (2018 Wyoming Session Laws, Ch. 134, Section 2, Sections 011 and 021) in response to the 2017 Phase I report from Alvarez and Marsal. The goal for these additional positions was to identify additional owed revenues to the State and facilitate its capture. The Legislature will receive an interim report by December 1, 2019 and a final report by June 30, 2020 on the effectiveness of these positions.

Attached to this memorandum is the relevant section of the 2017 Alvarez and Marsal final report related to DOR and DOA positions as well as the 2018 Budget Bill excerpts with the reporting requirements.

Please consider this recommendation in your remaining deliberations and discussions during the 2019 interim.

If you wish to view the full Alvarez and Marsal Phase II report, informational addendum, or amended K-12 school district shared services plan, please use the following links:

Final Report: **Wyoming Government Savings and Efficiency Project Final Report, January 18, 2019**

Informational Addendum: **Wyoming Government Savings and Efficiency Project Final Report – Addendum, March 25, 2019**

Revised K-12 Shared Services: **Wyoming Government Savings and Efficiency Project Final Report, Revised Implementation Plan Education, June 3, 2019**

Sincerely,

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Senator Drew Perkins, Chairman
Wyoming Spending and Government Efficiency Commission

Cc: Members, Management Council
Joint Appropriations Committee
Matt Obrecht, Director, Legislative Service Office
Josh Anderson, Senior Staff Attorney, Legislative Service Office
Don Richards, Budget-Fiscal Administrator
Mark Gordon, Governor
Dan Noble, Director, Department of Revenue
Jeffrey Vogel, Director, Department of Audit

DATE August 26, 2019

TO Senator Hank Coe, Co-Chairman
Representative David Northrup, Co-Chairman
Members, Joint Education Interim Committee

FROM Senator Drew Perkins, Chairman
Wyoming Spending and Government Efficiency Commission

SUBJECT Legislative Review of Efficiency Recommendations

On behalf of the Wyoming Spending and Government Efficiency Commission (Commission), I am writing to respectfully request the Joint Education Interim Committee (JEC) further review and consider potential legislative actions related to the Commission's portfolio of nineteen (19) efficiency recommendations developed during its July 15, 2019 meeting. Based on 2018 SF 120 (2018 Wyoming Session Laws, Ch. 112, Section 2(f)), the Commission is required to report and outline "any legislative changes recommended to the commission during the course of its work or which are independently identified by the commission."

In fulfilling this requirement, the Commission was provided an amended recommendation dated June 3, 2019 by the state efficiency consultant Alvarez and Marsal, Public Sector Services, LLC (Alvarez and Marsal) related to K-12 school district shared services. While the JEC is assigned review of its 2019 interim topic Priority #3: K-12 Education Government Efficiency Commission Recommendations, the Commission does not, at this time, recommend moving forward with Alvarez and Marsal's amended K-12 shared services recommendation as specified in its report to the Commission.

However, in JEC's continued deliberations under its Priority #3 topic, the Commission recommends the JEC review in detail W.S. 21-13-331 that already authorizes shared services among school districts in the state. The Commission advises the review, and any potential amendments recommended by the JEC, aim to encourage and incentivize greater use of shared services that will conform with the current K-12 funding model. The current statutory language for W.S. 21-13-331, as well as summary materials from districts that have recent agreements pursuant to this statute, is attached for your consideration.

Please consider this recommendation in your remaining deliberations and discussions during the 2019 interim.

If the JEC wishes to review Alvarez and Marsal's final report, informational addendum and amended K-12 shared services recommendation, you may view these recommendations with the following links:

Final Report: **Wyoming Government Savings and Efficiency Project Final Report, January 18, 2019**

Informational Addendum: **Wyoming Government Savings and Efficiency Project Final Report – Addendum, March 25, 2019**

Revised K-12 Shared Services: **Wyoming Government Savings and Efficiency Project Final Report, Revised Implementation Plan Education, June 3, 2019**

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Senator Drew Perkins, Chairman
Wyoming Spending and Government Efficiency Commission

Cc: Members, Management Council
Matt Obrecht, Director, Legislative Service Office
Ted Hewitt, Staff Attorney, Legislative Service Office
Matthew Willmarth, Senior School Finance Analyst
Jillian Balow, State Superintendent of Public Instruction
Mark Gordon, Governor

DATE August 26, 2019

TO Senator Bill Landen, Co-Chairman
Representative Tyler Lindholm, Co-Chairman
Members, 2019 Joint Corporations, Elections and
Political Subdivisions Interim Committee

FROM Senator Drew Perkins, Chairman
Wyoming Spending and Government Efficiency Commission

SUBJECT Legislative Review of Efficiency Recommendations

On behalf of the Wyoming Spending and Government Efficiency Commission (Commission), I am writing to respectfully request Joint Corporations, Elections and Political Subdivisions Interim Committee (JCC) further review and consider potential legislative actions related to the Commission's portfolio of nineteen (19) efficiency recommendations developed during its July 15, 2019 meeting. Based on 2018 SF 120 (2018 Wyoming Session Laws, Ch. 112, Section 2(f)), the Commission is required to report and outline "any legislative changes recommended to the commission during the course of its work or which are independently identified by the commission."

In fulfilling this requirement, the Commission was provided a final report of potential State efficiencies, dated January 18, 2019, by efficiency consultant Alvarez and Marsal, Public Sector Services, LLC. (Alvarez and Marsal). The Commission has included within its portfolio of efficiency recommendations that the State consider reorganization and consolidation of State boards and commissions administrative structure. The Commission believes the JCC is most knowledgeable and best equipped to thoroughly review and consider appropriate legislative responses to this recommendation.

Attached to this memorandum are the relevant portions of the 2019 Alvarez and Marsal final report related to its Organizational Line of Services Review, Boards and Commission recommendation.

Please consider this recommendation in your remaining deliberations and discussions during the 2019 interim.

If you wish to view the full Alvarez and Marsal Phase II report, informational addendum, or amended K-12 school district shared services plan, please use the following links:

Final Report: **Wyoming Government Savings and Efficiency Project Final Report, January 18, 2019**

Informational Addendum: **Wyoming Government Savings and Efficiency Project Final Report – Addendum, March 25, 2019**

Revised K-12 Shared Services: **Wyoming Government Savings and Efficiency Project Final Report, Revised Implementation Plan Education, June 3, 2019**

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Senator Drew Perkins, Chairman
Wyoming Spending and Government Efficiency Commission

Cc: Members, Management Council
Matt Obrecht, Director, Legislative Service Office
Anna Mumford, Operations Administrator, Legislative Service Office
Mark Gordon, Governor

APPENDIX K

	A	B	C	D	E	F	G	H	I	J	K	L
1	State Savings and Efficiency Initiatives Account: FUND 201											
2	Lead Agency	Initiative	Proposal	Recommendation	Running Balance Fund FUND 201 \$8,122,666.95	One-Time	On-Going	Estimated Increased Revenue BFY	Estimated General Fund Savings BFY	Estimated School Foundation Fund Savings BFY	Estimated Cost Avoidance BFY	Total Revenue Savings Avoidance
3	Department of Revenue	Oblique Imagery	(\$2,569,466)	(\$2,569,466)	\$5,553,201			\$4,674,000		\$9,272,000		\$13,946,000
4	Department of Revenue	Managed Business Solutions COTS Support	(\$2,730,655)	(\$2,730,655)	\$2,822,546			\$10,000,000	\$673,110			\$10,673,110
5	Enterprise Technology Services	Pilot Electronic Signature & Supporting Enterprise Software	(\$765,680)	(\$765,680)	\$2,056,866						\$1,940,000	\$1,940,000
6	Enterprise Technology Services	Enterprise Communication (Document Management)	(\$5,000,000)	\$0	\$2,056,866						Under Review	\$0
7	State Construction Department	Energy Audit Initial Review	(\$100,000)	(\$100,000)	\$1,956,866				\$1,662,675	\$18,240,000		\$19,902,675
8	Department of Family Services	Cost Allocation Plan Review	(\$100,000)	(\$100,000)	\$1,856,866				\$624,695			\$624,695
9	Department of Family Services	Implementation of the Cost Allocation Plan Review Recommendations	(\$150,000)	(\$150,000)	\$1,706,866				See above			\$0
10	A&I	REMI	(\$38,500)	(\$38,500)	\$1,668,366			See Comment				\$0
11	Department of Transportation	Electronic Permitting	(\$3,860,000)	\$0	\$1,668,366			\$2,515,369			\$2,515,369	\$5,030,737
12	Totals		(\$15,314,301)	(\$6,454,301)				\$17,189,369	\$2,960,480	\$27,512,000	\$4,455,369	\$52,117,217
14	NOTES:											
15	Oblique Imagery											
16	While it is impossible to estimate the amount of property tax dollars that are not being collected due to the assessor not knowing structures/equipment exist, we will attempt to provide a possible scenario. Using the 2019 local assessed value of \$9,870,574,337, we will apply 1%, which would result in an assessed value of 98,705,743. The estimated tax dollars lost annually is noted below:											
17			Average levy	Annual Tax Dollars	Biennial Tax Dollars			SFP BFY Savings	Revenue Increase			
18		School Foundation	12.000 mills	\$1,185,000	\$2,370,000			\$2,370,000	\$0			
19		Education	34.965 mills	\$3,451,000	\$6,902,000			\$6,902,000	\$0			
20		Counties	11.800 mills	\$1,165,000	\$2,330,000			\$0	\$2,330,000			
21		Municipalities	6.987 mills	\$690,000	\$1,380,000			\$0	\$1,380,000			
22		Special Districts	4.883 mills	\$482,000	\$964,000			\$0	\$964,000			
23				\$6,973,000	\$13,946,000			\$9,272,000	\$4,674,000			
24	While Assessors are required to conduct an on-site inspection every 6 years, in practice, staffing is not sufficient statewide to do so. Even if this was occurring, a new structure built after an inspection could remain off the tax rolls for 5 years. Each year the number of parcels that must be inspected increases. Ultimately, imagery will generate a more accurate property assessment and ensure taxpayers are paying their fair share of the property tax burden and that taxing entities are receiving the accurate amount of funding enabling them to provide services.											
25	Efficiencies gained by other governmental entities are numerous. 3-D imagery provides a substantial number of analysis tools simply not possible with traditional orthogonal imagery. By approaching the project as an enterprise solution meaning, one flight - enabling all governmental agencies to access the imagery, the cost savings is great.											
26	Managed Business Solutions COTS Support											
27	The initial savings are based on removal of existing third party contracts for database administration and consulting on program changes. There might be adjustment of in-house staffing required to keep these applications up and running.											
28	It is critical that the applications which are used to collect the state's revenue are managed effectively. These are complex systems and the current staffing is leaving the agency. With their retirement, the agency has lost a large amount of institutional knowledge which must be replaced. The only other entity that possesses this knowledge is the company that we are proposing to step in as the maintenance vendor. If the systems were to experience a catastrophic failure we would look to them today.											
29	It is also important to note that there will most likely be revenue enhancements from insuring that the applications are on the most current platforms and that our customers are able to use their browsers to file electronically with the agency. The more electronic filing we do in the future the less manual processing of paper that the agency must deal with. Our electronic filing systems will result in more accurate filing which allows our staff to devote more effort on collection of delinquent accounts. This also will result in additional revenue. A .5% increase in revenue based on more accurate and timely filing would mean an additional \$5,000,000 based of FY2019 sales tax collections.											

30	Enterprise Technology Services									
31	Recommend ETS Document Management System be addressed in BFY Budget									
32	ETS Electronic Signature and Supporting Enterprise Software will mitigate cyber attacks, estimated one successful attack could cost \$600,000									
33	Energy Audit									
34	Energy audit savings estimated to range from 20% to 28% of utility costs, Laramie County School District 1 recent audit indicated 28%									
35	Energy audit savings on going savings only become available after initial capitalization is recovered									
36	Energy audit level one capitalization equals \$10,839,413, level two capitalization equals \$21,678,287, Capitalization recovery estimated to be 1.63 years									
37	Department of Family Services (DFS) Cost Allocation (Federal Billing)									
38	If DFS federal billings lag by a constant 3 months at 3% equals a savings to the general funds each BFY of \$1,680,000									
39	Department of Transportation Electronic Permitting									
40	\$3,500,000 Capitalization, \$180,000 per year maintenance costs									
41	Recommend Department of Transportation Electronic Permitting be funded with S7 other revenue									
42	Estimated 12.5% increase is from electronic permitting additional trips and recovery of tax avoidance									
43	Does not include costs of road damage, bridge strikes etc. from better permitting and non-permitted trips									
44	Cost avoidance is private sector savings from the Trucking Industry									
45	Does not include additional registration and motor fuel revenue									
48	Cost Allocation Plan Review									
49	Because our cost allocation is quarterly when everything gets reconciled, I can verify the following three recent quarters' ending federal receivable that we reported on the SEFA as follows:							Q1 9/30/18	\$8,324,469.29	
50								Q2 12/31/18	\$13,516,849.61	
51								Q3 3/31/19	<u>\$9,393,443.85</u>	
52								Average	\$10,411,587.58	
53								3% Interest	<u>\$312,347.63</u>	
54								Biennial Total	\$624,695.26	
55	REMI									
56	REMI be more efficient with economic impact "what if" revenue modeling and government spending, associated with Revenue Committee recommendations.									