

Quarterly Report

10/1/03

KCAO Provides Oversight of the OMP Process

The King County Auditor's Office continued its oversight role in the OMP process for the council by providing independent review of OMP activities and the work products of the OMP consultant. Highlights of the last three months include:

- We worked with the OMP Advisory Group to identify key issues related to the Integrated Security Project (ISP) and to seek answers to questions raised by members of the group.
- Recommendations made by the OMP consultant, Christopher Murray and Associates, are being incorporated into the design and schedule of the ISP.
 - These include options for taking advantage of technology to improve the cost-effectiveness of jail operations. A major option being evaluated is the use of remote floor controls to achieve efficiencies.
 - The consultant, with input from audit staff, now estimates ISP operational costs are as much as \$3 million lower than the original cost estimates made in 2002.
- A near-final schedule for the ISP shows the construction phase beginning in January 2004 and finishing in mid-2005. The OMP consultant worked with the principal

parties to shorten the original project schedule.

- The consultant identified potential impacts of the ISP on the 2004 operating budget. They include:
 - Staff savings due to an increased double-bunking capacity at the Regional Justice Center.
 - \$2 million for an electronic medical records system for Jail Health Services.
- The consultant's report on the *Hammer* settlement concluded that there was no provision in the agreement for modification. Potential modifications might include staffing changes and increasing the capacity of the downtown jail.
- The Auditor's Office facilitates bi-weekly meetings of an OMP Working Group. The group consists of staff from the council, the auditor, the Office of Management and Budget, the Department of Adult and Juvenile Detention, Public Health, and the Facilities Management Division of the Department of Executive Services. It resolves technical issues and reviews detailed analyses associated with the OMP and ISP.



KCAO Technical Support and Analysis

The Auditor's Office is providing information and analysis that is central to many parts of the ISP and the OMP process.

Particular tools and studies that are currently being employed include:

- Audit staff, the OMP consultant, and DAJD personnel continue to refine a cost model for the ISP.

This ISP cost model now includes the latest version of the ISP construction schedule and tracks the staffing and costs of the ISP. It pinpoints how corrections officers are used to provide security for work crews.

The model also identifies the most cost-effective use of facilities for housing inmates transferred from floors scheduled for remodeling.

- The Adult Secure Detention Cost Model was developed as part of the 2002 Special Study of the King County Jails and refined in the second phase of that study in mid-2003.
 - This model is being used to quantify the costs or savings from different jail operating concepts, as the OMP consultant considers staffing of the jails from a zero-based perspective.
 - The model assisted in the analysis of double-bunking costs and alternatives for the Regional Justice Center. A current application of this analysis is an evaluation of the most cost-effective way to house inmates who will be

displaced by construction work during the Integrated Security Project.

- Recommendations concerning Jail Health
 - In the next quarter, audit staff will review a new strategic business plan for Jail Health Services, which was recommended in the 2002 jail study.
 - Jail health operational changes will be folded into the OMP and ISP reviews.

The Executive's Quarterly Report

Budget Ordinance No. 14517 requires the executive to report quarterly on the status of the OMP.

The council acted in the second quarter to remove restrictions on most of the remaining capital funds for the ISP. Still kept in reserve are funds for remodeling in the Jail Health Services area.

The council approved release of a large portion of the funding for jail operations costs during the ISP.

Also, the council approved an emergency declaration on the ISP. This enabled the county to shorten the overall schedule for the project and to bring on major contractors earlier than usual. Turner Construction will transition from development manager to prime contractor on the project.

The executive will likely request the release of the balance of the capital and operating funds after the beginning of 2004.

OMP Advisory Group Members

Steve Call, Director, Office of Management and Budget
Cheryle Broom, County Auditor
Larry Mayes, Interim Director, DAJD
Sheryl Whitney, Assistant County Executive, Executive Office
Kathy Brown, Division Director, Facilities Management Division, DES
Bette Pine, Director, CHARS (Correctional Health & Rehab. Services), DPH
Rebecha Cusack, Senior Legislative Lead Analyst, BFM Committee
Clif Curry, Senior Legislative Analyst, LJHS Committee
David Layton, Senior CIP Analyst, BFM Committee

Staff to the Advisory Group

Bob Williams, Senior Financial Analyst, OMB
Ron Perry, Principal Management Auditor, KCAO
Bob Thomas, Principal Management Auditor, KCAO

Technical assistance is provided by the represented agencies as needed. KCAO and OMB provide analytic and administrative support.

Schedule for Future Meetings of the OMP Advisory Group

October through November 2003---No Advisory Group meetings are planned during the weeks devoted to budget review. Progress reports may be transmitted via e-mail during this period.

December 4 and 18, 2003---Tentative dates for the Advisory Group to review key developments in the OMP process.

January 8, 2004---Draft OMP report presented by consultants to Advisory Group.

January 29, 2004---Presentation by consultants of final OMP report.