

# Lines of Business Reduction Impact Statements

## *Employee Benefits*

### **001-89-320 Eliminate Funding for Tuition Assistance Program and Language Tuition Assistance Program**

LOB Number	LOB Title	Positions	Expenditures	Revenue	Net Reduction
89-01	Employee Benefits	0 / 0.0 SYE	\$360,000	\$0	\$360,000

#### **DESCRIPTION OF REDUCTION**

The reduction of \$360,000 represents the elimination of 100 percent of the current year funding for the tuition assistance program (TAP) and language tuition assistance reimbursement programs (LTAP). TAP and LTAP help County employees pay for career-related continuing education. Full-time merit employees who work 40 hours per week are eligible for reimbursement up to \$1,200 per year; part-time merit employees who work 30-39 hours per week are eligible for up to \$900 per year; and part-time merit employees who work 20-29 hours per week are eligible for up to \$600 per year.

#### **IMPACT OF REDUCTION**

Taking this reduction results in the elimination of funding for TAP and LTAP. This program is utilized by over 300 County employees annually, and there is typically a wait list by February of each fiscal year as all available funding is exhausted. Employees will not be reimbursed by the County for any continuing education whether they are taking one class or in the process of earning a degree.

### **001-89-321 Reduce Funding for Employee Advisory Council by 15 Percent**

LOB Number	LOB Title	Positions	Expenditures	Revenue	Net Reduction
89-01	Employee Benefits	0 / 0.0 SYE	\$6,178	\$0	\$6,178

#### **DESCRIPTION OF REDUCTION**

Funding for the Employees Advisory Council (EAC) is reduced by 15 percent of the current funding level of \$41,189. The EAC was established by the Fairfax County Merit System Ordinance to provide a continuing medium through which all employees in the competitive service, both school and County, may contribute their advice and suggestions for the improvement of the career merit system and other aspects of the government of Fairfax County.

#### **IMPACT OF REDUCTION**

As a result of this reduction, the EAC will need to manage spending in order to remain within the reduced appropriation. Funding for the Employees Advisory Council is typically determined using one-third of 85 percent of prior year revenues realized from vending machine sales. Due to higher than expected revenue from vending machines during FY 2008, the EAC has been able accrue balances that will help deliver the same service in FY 2010 with 15 percent less funding.

# Lines of Business Reduction Impact Statements

## *Employee Benefits*

### 001-89-322 Reduce Funding for Information Technology Training by 81 Percent

LOB Number	LOB Title	Positions	Expenditures	Revenue	Net Reduction
89-01	Employee Benefits	0 / 0.0 SYE	\$220,000	\$0	\$220,000

#### DESCRIPTION OF REDUCTION

Funding for Information Technology (IT) Training is reduced by 81 percent of the current funding level of \$270,000, leaving a total of \$50,000. Currently, funding supports Outlook training for new employees and IT training for IT staff in agencies other than the Department of Information Technology (DIT).

#### IMPACT OF REDUCTION

Taking this reduction results in a large number of training needs not being met. New employees unfamiliar with Outlook will not have access to training and will have difficulty integrating into the County system. Additionally, as various agencies are required to support small systems noncompliant with the environment DIT supports, the risk of system failure due to lack of needed expertise will increase.

### 001-89-323 Pro-Rate Employer Health Insurance Contribution for Part-Time Employees

LOB Number	LOB Title	Positions	Expenditures	Revenue	Net Reduction
89-01	Employee Benefits	0 / 0.0 SYE	\$799,497	\$0	\$799,497

#### DESCRIPTION OF REDUCTION

Currently, part-time employees working at least 20 hours per week receive the same County contribution towards health insurance as full-time employees. Beginning in FY 2010, employer contributions for employees working 20 to 30 hours per week will be reduced over two years to 50 percent of the current employer contribution. Employees working more than 30 hours per week would be considered full-time for health insurance purposes. The reduction in the employer contribution towards health insurance would be implemented as shown in the table on the next page:

<b>Current and Proposed Employer Contributions for Health Insurance</b>			
	Current	Proposed	
	CY 2009	CY 2010	CY 2011
<b>Full-Time (31+ Hours)</b>			
Individual	85%	85%	85%
Two-Party/Family	75%	75%	75%
<b>Part-Time (20-30 Hours)</b>			
Individual	85%	63.8%	42.5%
Two-Party/Family	75%	56.3%	37.5%

## Lines of Business Reduction Impact Statements

### *Employee Benefits*

#### IMPACT OF REDUCTION

Currently, 397 part-time employees working 20 to 30 hours per week participate in County health insurance and the County funds the employer health insurance contribution in full. As a result of this reduction, part-time employees will see a 25 percent reduction in FY 2010 and an additional 25 percent reduction in FY 2011 in the employer contribution towards their health insurance. Using the County's Point of Service (POS) Plan as an example, the monthly impact to a part-time employee in FY 2010 would range from \$96 for an individual plan to \$245 for a family plan. In FY 2011, the financial impact on the employee would double.

#### **001-89-324 Eliminate Task Force Funding**

LOB Number	LOB Title	Positions	Expenditures	Revenue	Net Reduction
<b>89-01</b>	<b>Employee Benefits</b>	<b>0 / 0.0 SYE</b>	<b>\$550,000</b>	<b>\$0</b>	<b>\$550,000</b>

#### DESCRIPTION OF REDUCTION

This reduction eliminates discretionary funding used by County leadership for specially designated task forces and special studies.

#### IMPACT OF REDUCTION

The elimination of Task Force funding in Agency 89, Employee Benefits, limits the number of task forces and studies that can be pursued. Any required or necessary reviews would have to be absorbed within current agency appropriations. In the past, compensation reviews, actuarial studies, consultant studies, and task forces have all utilized this source of funding.

# Lines of Business Reduction Impact Statements

<i>Employee Benefits</i>					
001-89-325 Eliminate Funding for Discretionary Conferences					
LOB Number	LOB Title	Positions	Expenditures	Revenue	Net Reduction
89-01	Employee Benefits	0 / 0.0 SYE	\$25,000	\$0	\$25,000
DESCRIPTION OF REDUCTION					
This reduction eliminates funding currently utilized by County leadership for discretionary conferences.					
IMPACT OF REDUCTION					
The elimination of this funding will limit the ability of the County Executive and Deputy County Executives, to provide funding for staff to attend designated events.					