



Appropriations Committee

Thursday, October 6, 2011
8:30 AM – 10:00 AM
212 Knott Building

Meeting Packet

Dean Cannon
Speaker

Denise Grimsley
Chair



The Florida House of Representatives

Appropriations Committee

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Meeting Agenda
Thursday, October 6, 2011
212 Knott Building
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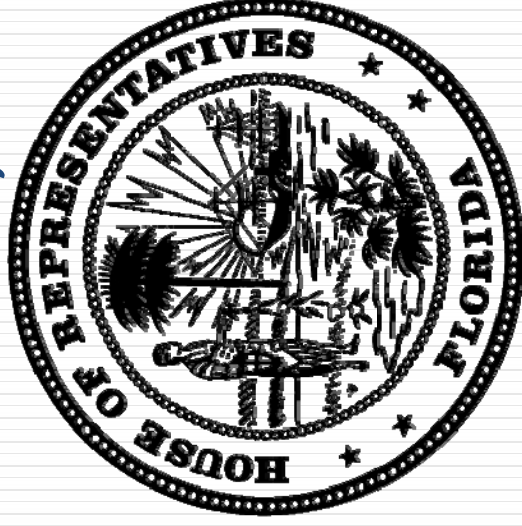
- I. Call to order/Roll Call
- II. Opening Remarks by Chair Grimsley
- III. Budget Overview
- IV. Update on E-mail Consolidation
- V. Closing Remarks and Adjournment

Budget Overview

October 6, 2011

Appropriations Committee

Denise Grimsley, Chair

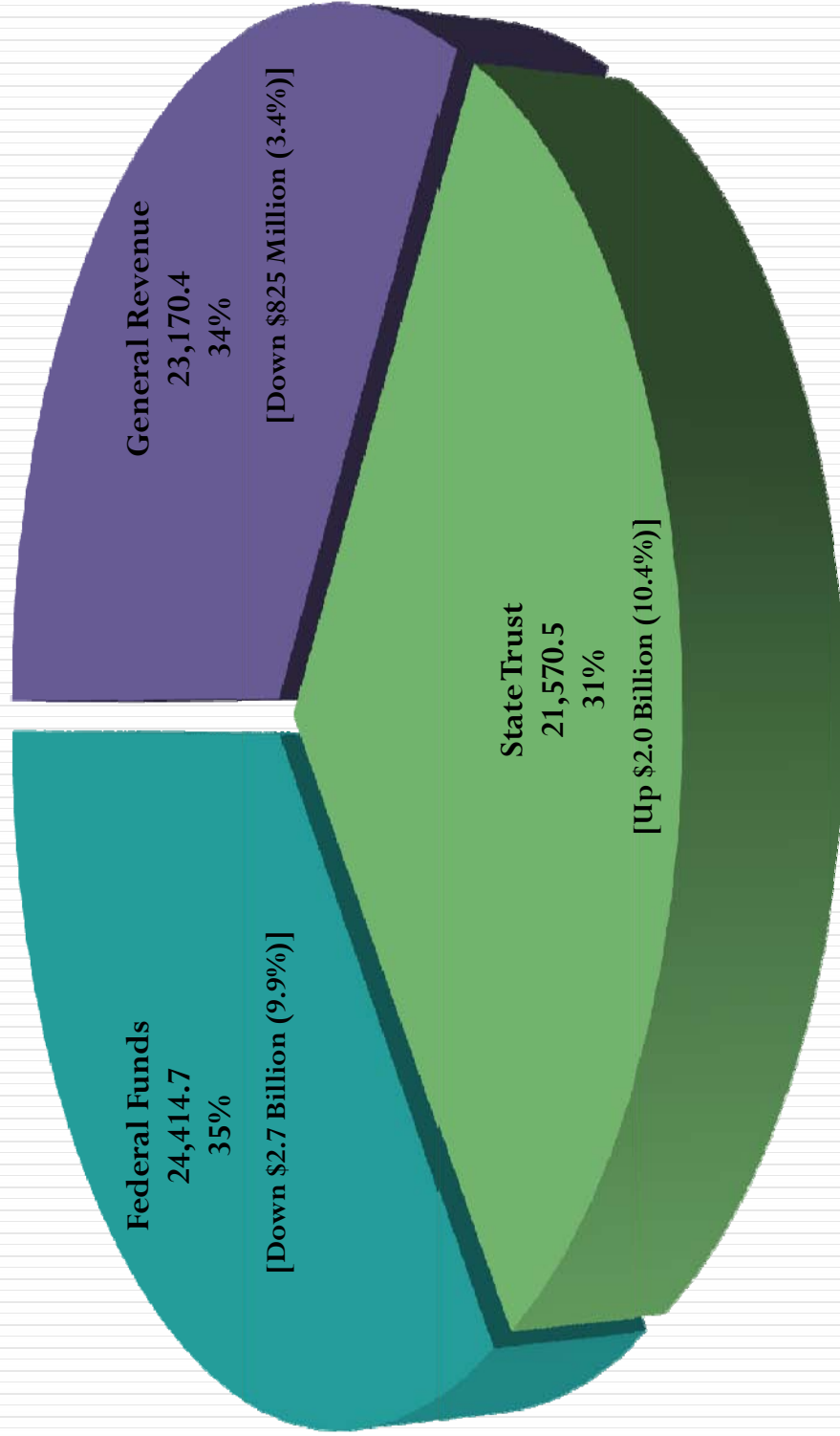


**GENERAL REVENUE FUND
FY 2011-12 BUDGET RECAP
(In Millions of Dollars)**

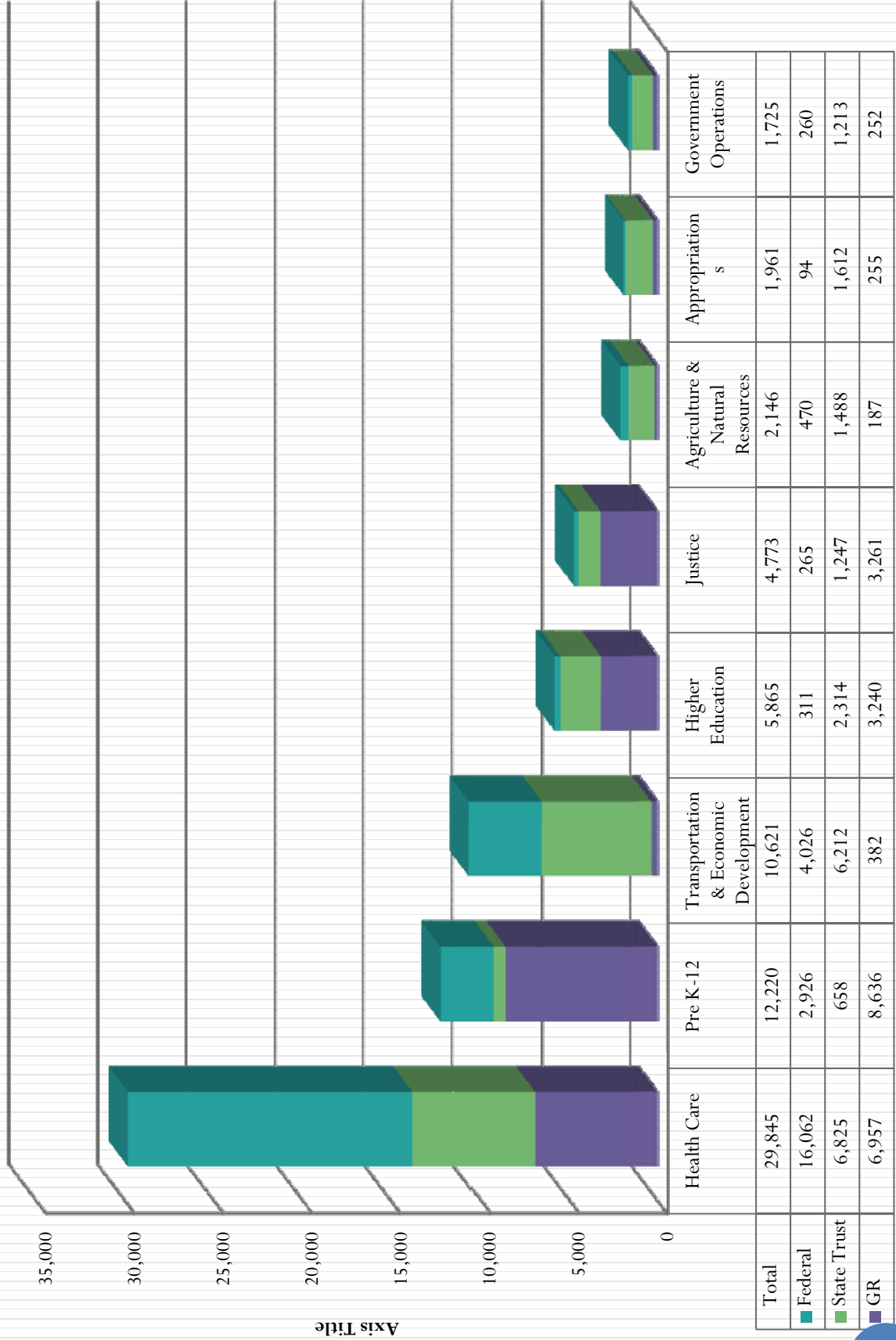
1 Long Range Financial Outlook Shortfall	(4,616)
2 Adjustments to Funds Available:	
3 Reductions to FY 2010-11 Deficits	55
4 Transfers from Trust Funds	389
5 Other Adjustments to Funds Available	(101)
6 Reductions to the Base Budget	2,320
7 Amount of Long Range Financial Outlook Not Funded (Net)	2,135
8 Remaining Surplus	181
9 Amount Held in Reserve	1,000
10 Total GR Unallocated Balance	1,181

Note: Not included above is \$150 million transferred from the State Transportation Trust Fund to the State School Trust Fund.

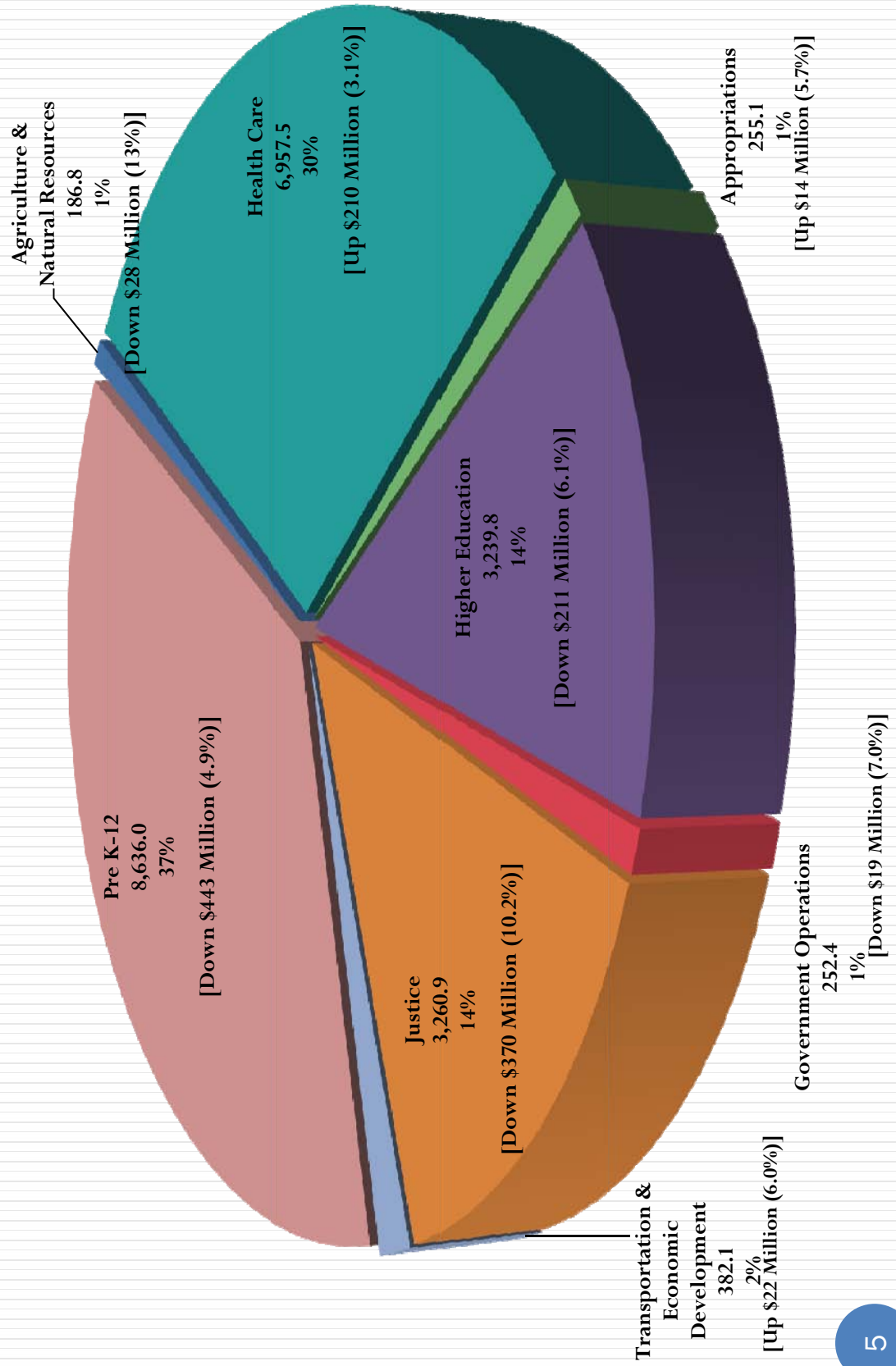
FY 2011-12 Appropriations
\$69.2 Billion
(In Millions of Dollars)



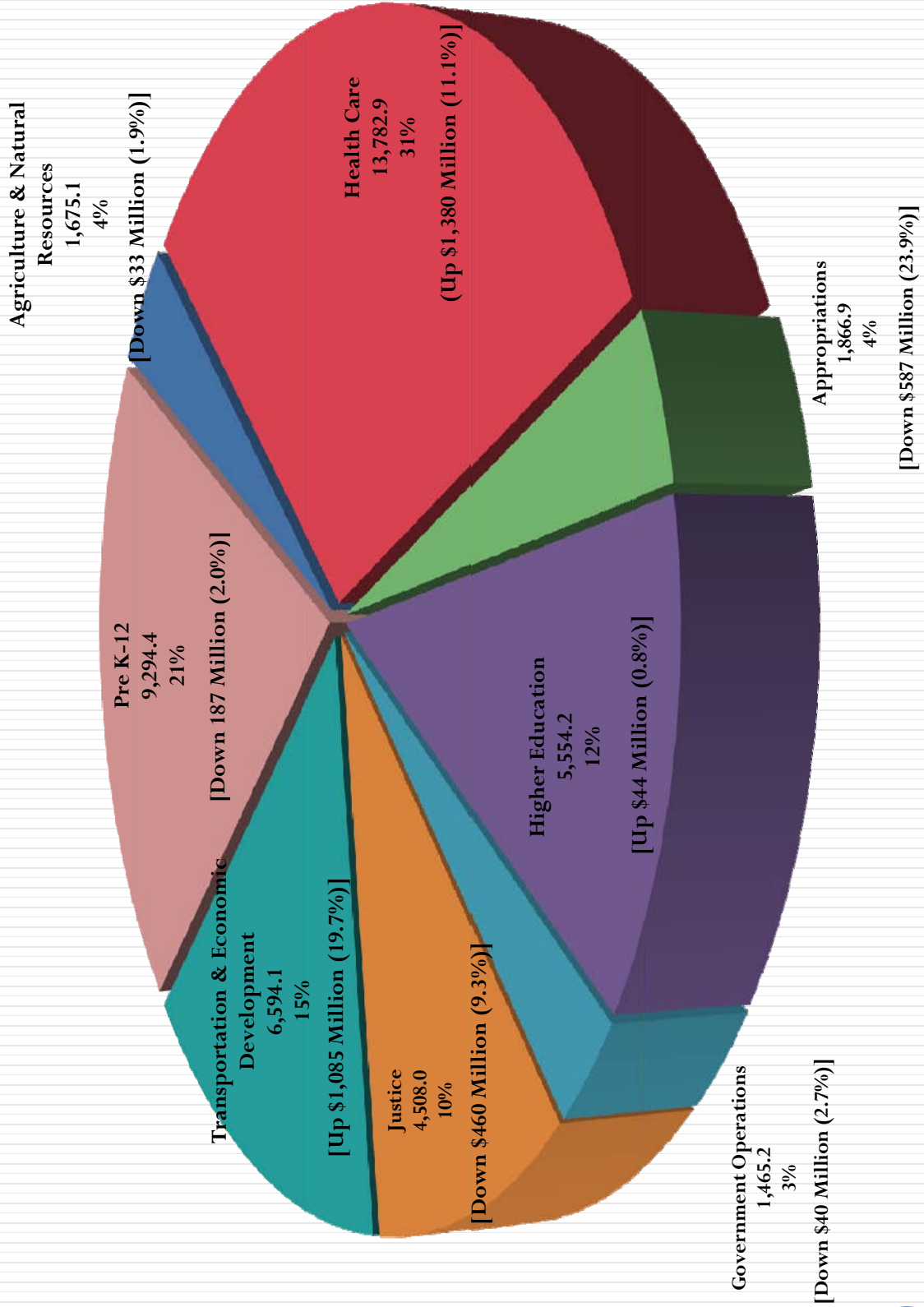
Total Budget by Fund by Subcommittee (In Millions of Dollars)



General Revenue FY 2011-12 Appropriations \$23.2 Billion (In Millions of Dollars)



State Funds FY 2011-12 Appropriations \$44.7 Billion (In Millions of Dollars)



FISCAL YEAR 2012-13
GENERAL REVENUE FUND
LONG RANGE FINANCIAL OUTLOOK
(In Millions of Dollars)

¹ Available General Revenue	26,817
² Expenditures:	
³ Base Budget	22,784
⁴ Transfer to the Budget Stabilization Fund	215
⁵ Critical Needs	1,657
⁶ High Priority Needs	887
⁷ Reserve	<u>1,000</u>
⁸ Total Expenditures	<u>26,543</u>
⁹ Balance	274

KEY BUDGET DRIVERS
Long Range Financial Outlook
General Revenue – FY 2012-13

Critical Needs (Includes Mandatory Increases Based on Estimating Conferences and Other Essential Needs)		
1	PRE K - 12 EDUCATION	
2	Maintain Current Budget - Florida Education Finance Program (FEFP)	133.1
3	Workload and Enrollment - Florida Education Finance Program (FEFP)	108.4
4	Workload and Enrollment - VPK	9.0
5	HIGHER EDUCATION	
6	Maintain Current Budget - Higher Education	18.9
7	Workload and Enrollment - Bright Futures (BF) and Children and Spouses of Deceased / Disabled Veterans (CSSDV)	0.6
8	EETF Adjustment - Bright Futures Workload - Higher Education	(30.5)
9	HUMAN SERVICES	
10	Medicaid Program	968.3
11	Kidcare Program	5.4
12	Temporary Assistance for Needy Families (TANF) Cash Assistance	9.6
13	CRIMINAL JUSTICE	
14	Judicial - Due Process Costs	1.0
15	JUDICIAL BRANCH	
16	Court System Funding Required to Offset Decline in Court Fee Revenues	96.2
17	TRANSPORTATION AND ECONOMIC DEVELOPMENT	
18	State Disaster Funding (Declared Disasters)	6.2
19	Restore Recurring Funding to DOR Positions	1.7
20	Non-FRS Pensions and Benefits	0.7
21	Fiscally Constrained Counties - Property Tax & Conservation Lands	26.4
22	ADMINISTERED FUNDS & STATEWIDE ISSUES	
23	Increases in Employer-Paid Benefits for State Employees	302.4
24	Subtotal Critical Needs	1,657.4

KEY BUDGET DRIVERS (continued)

Long Range Financial Outlook

General Revenue – FY 2012-13

25	Other High Priority Needs (Includes Other Historically Funded Issues)		
26	PRE K - 12 EDUCATION		
27	Maintain Current Budget - Other PreK-12 Discretionary Programs		11.7
28	EETF Adjustment - Bright Futures Tuition Increases - Florida Education Finance Program (FEFP)		7.8
29	HIGHER EDUCATION		
30	Maintain Current Budget - Higher Education Discretionary Programs		10.7
31	Workload and Enrollment - Florida Colleges		71.9
32	Workload and Enrollment - Universities		39.9
33	EETF Adjustment - Bright Futures Tuition Increases - Higher Education		14.8
34	Anticipated New Space Costs for Colleges & Universities		22.6
35	Challenge Grants for Florida Colleges and State Universities		3.4
36	HUMAN SERVICES		
37	Developmentally Disabled Services		27.5
38	Children and Family Services		74.6
39	Health Services		12.0
40	Human Services Information Technology/Infrastructure		0.2
41	CRIMINAL JUSTICE		
42	Shared Detention Cost - Fiscally Constrained Counties		0.9
43	Department of Juvenile Justice - Prevention and Intervention Programs		0.8
44	TRANSPORTATION AND ECONOMIC DEVELOPMENT		
45	Other Transportation and Community Development Priorities		2.5
46	Economic Development and Workforce Programs		118.2
47	National Guard Armories and Military Affairs Priorities		6.9
48	Library, Cultural, Historical, and Election Priorities		28.7
49	NATURAL RESOURCES		
50	Environmental Programs Funded with Documentary Stamp Tax		12.7
51	Environmental Land Acquisition and Restoration		36.2
52	Other Agriculture & Environmental Programs		37.7
53	GENERAL GOVERNMENT		
54	Other General Government Priorities		2.6
55	ADMINISTERED FUNDS & STATEWIDE ISSUES		
56	Increase in Employer-paid Contributions for the Florida Retirement System to Fund the Unfunded Actuarial Liability (State, Universities, Community Colleges, and School Boards)		329.2
57	Maintenance, Repairs, and Capital Improvements - Statewide Buildings		13.3
58	Subtotal Other High Priority Needs		886.9
59	Total Tier 2 - Critical Needs Plus Other High Priority Needs		2,544.3

LONG RANGE FINANCIAL OUTLOOK

FY 2012-13 vs FY 2011-12

(In Millions of Dollars)

	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>Difference</u>
¹ Funds Available	25,216.0	26,817.0	1,601.0
² Key Budget Drivers:			
³ Education	1,742.1	422.4	(1,319.7)
⁴ Human Services	1,745.9	1,106.9	(639.0)
⁵ Criminal Justice	63.9	5.3	(58.6)
⁶ Judicial Branch	1.6	96.6	95.0
⁷ Transportation & Ec. Development	341.6	162.4	(179.2)
⁸ Natural Resources	381.8	87.7	(294.1)
⁹ General Government	48.3	31.4	(16.9)
¹⁰ Statewide Issues	<u>578.7</u>	<u>631.6</u>	<u>52.9</u>
¹¹ Total Key Budget Drivers	4,903.9	2,544.3	(2,359.6)
¹² Net Change			3,960.6

**FISCAL YEAR 2012-13
GENERAL REVENUE FUND
(In Millions of Dollars)**

FY 2012-13

¹ Long Range Financial Outlook Balance	274	
² Known Changes to Expenditure Forecasts	<u>(224)</u>	
³ Sub-total	50	
⁴ For Discussion Purposes Only:		
⁵ Adjustments to Revenue	(1,000)	(2,000)
⁶ Adjustments to Medicaid Expenditures	<u>(200)</u>	<u>(300)</u>
⁷ Potential Budget Shortfall	(1,150)	(2,250)

SCENARIOS FOR BALANCING POTENTIAL SHORTFALL

Low Range Shortfall	(1,150)
High Range Shortfall	(2,250)

	% of GR Base	% of Total Base
1 If Shortfall Solved Using Reductions:		
2 Low Range Shortfall	5.1%	1.9%
3 High Range Shortfall	9.9%	3.8%
4 If Shortfall Solved Similar to Last Year:		
5 Low Range Shortfall	2.4%	0.9%
6 High Range Shortfall	4.7%	1.8%

State of Florida Enterprise E-mail

Florida House of Representatives
Appropriations Committee
October 6, 2011

AGENCY FOR ENTERPRISE INFORMATION TECHNOLOGY

David Taylor, Executive Director

Coleen Birch, Enterprise Program Manager

Agenda

1. Background
2. Schedule
3. Scope
4. Cost
5. Issues and Risks

Objectives of Enterprise E-mail

Primary objectives in s. 282.34(1), Florida Statutes:

1. Minimize the state investment required to establish, operate, and support the statewide service.
2. Reduce the cost of current email operations and the number of duplicative e-mail systems.
3. Eliminate the need for each state agency to maintain its own e-mail staff.

Major Milestones

- July 2009 - Legislature established e-mail as an enterprise IT service
- December 2009 – Initial Business Case
- Aug 2010 – Mar 2011 – Procurement
- June 24, 2011 – Migration Plan Approved by LBC
- June 29, 2011 – Contract signed with ACS
- Aug 4, 2011 – Project kick-off with agencies
- Aug 8 – Sept 12, 2011 – Initial Discovery with agencies
- Sept 19, 2011 – Detailed Discovery begins

Solution Highlights

- Dedicated Microsoft Exchange 2010 Environment
- CJIS & HIPAA Compliant
- End-to-End Encryption (In Transit & At Rest)
- Full Helpdesk Service
- Disaster Recovery Site
- 99.9% Committed System Uptime
- Multi-layered Antivirus and Antispam
- Mobile Device Support
- Per-mailbox-per-month Cost Structure
- E-mail Archiving / E-Discovery

Cost per Mailbox per Month

Cost Summary	
Feature	Monthly Mailbox Charge
Basic Mailbox (Outlook Web Access)	\$5.43
Archiving	\$1.53
	\$6.96
Options	
Desktop Outlook Client	\$1.15
External Encryption	\$0.98
Blackberry Support	\$3.42 - \$4.95
ActiveSync Support	\$0.11
Additional mailbox storage	\$0.49 per 500 MB
SSRC Administrative Cost	
	\$0.40

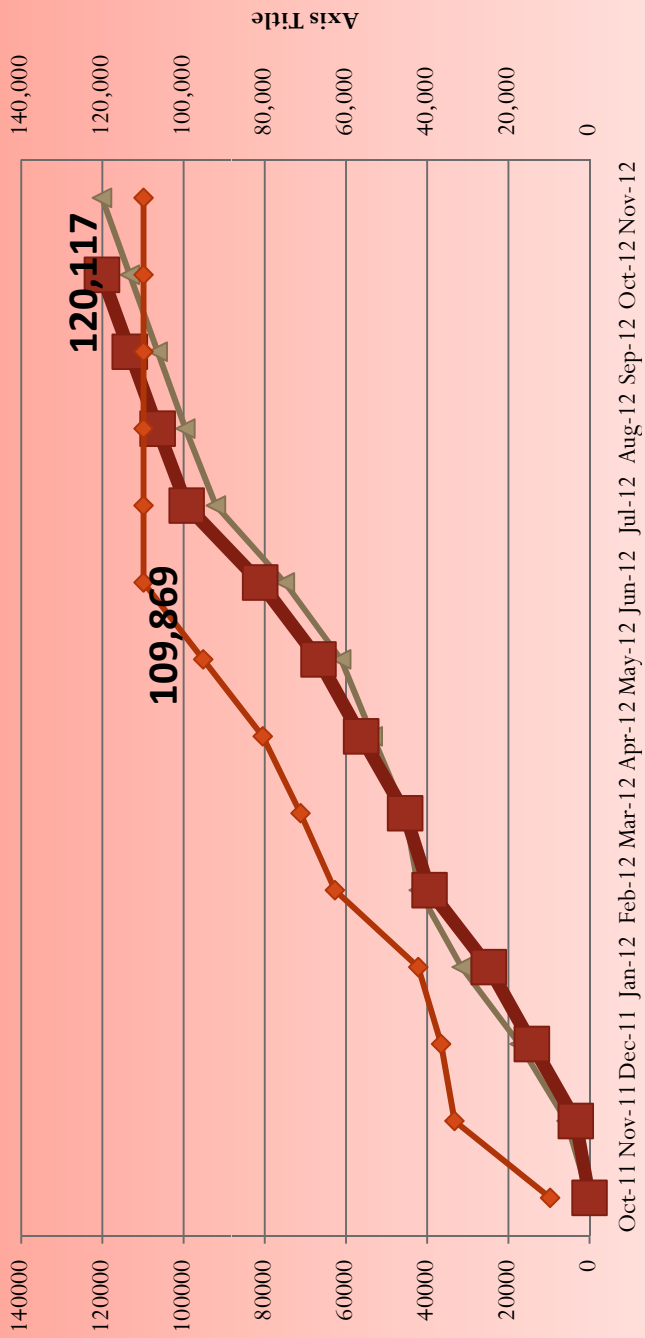
*\$1.24 pmpm in FY 2011-12

Schedule: E-mail Migration

- Initial migration schedule assumptions:
 - All agency mailboxes would migrate in a single month
 - All migrations would be completed by June 30, 2012.
- Revised migration schedule assumptions:
 - Approximately 300 mailboxes per night
 - Migrations are scheduled to be complete by October 2012.
- Schedule revised to accommodate information obtained during agency Initial Discovery meetings
- Start date for e-mail mailbox migration moved from October 24 to November 17

Scheduled Mailbox Transitions

Forecast: Cumulative Growth Per Month



	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12
Original ACS Schedule	115	5,727	17,278	31,515	42,089	45,434	53,415	61,187	75,077	92,056	99,557	106,410	113,264	120,117
Current Schedule		3400	14226	24816	39422	45434	56257	66770	81127	99246	106410	113264	120117	
AEIT LBC Budget Schedule	9697	33265	36563	42180	62722	71183	80496	95169	109869	109869	109869	109869	109869	109869

Proposed Agency Migration Schedule

Agency	Migration Start	Migration Finish	Agency	Migration Start	Migration Finish
Quarter 2 - FY 2011-12					
AEIT	11/17/2011	11/20/2011	DOH	4/1/2012	7/11/2012
SSRC	11/17/2011	11/20/2011	DVA	4/16/2012	4/18/2012
DOR	11/20/2011	12/21/2011	FDLE	4/25/2012	5/6/2012
DOT	12/11/11	02/01/12	FWC	4/9/2012	4/23/2012
CIT	12/20/2011	12/22/2011	DOACS	5/16/2012	6/5/2012
DCF	12/20/2011	2/28/2012	DOEA	5/2/2012	5/7/2012
NSRC	12/20/11	12/22/11	DFS	5/29/2012	6/13/2012
Quarter 3 - FY 2011-12					
AHCA	1/18/2012	1/26/2012	EOG	5/29/2012	6/4/2012
DOL	1/25/2012	1/29/2012	PSC	5/29/2012	5/31/2012
DOS	1/3/2012	1/5/2012	DEP	6/17/2012	7/11/2012
DEM	2/15/2012	2/19/2012	HSMV	6/27/2012	7/23/2012
DMS	2/5/2012	2/7/2012	FY 2012-13		
DEO	2/7/2012	2/16/2012	DJJ	7/9/2012	7/29/2012
DOE	2/7/2012	2/20/2012	DC	8/12/2012	10/21/2012
APD	3/11/2012	3/18/2012	SBA	8/12/2012	8/14/2012
GAL	3/12/2012	3/13/2012			
DOAH	3/18/2012	3/20/2012			
DBPR	3/22/2012	4/2/2012			
JAC	3/5/2012	3/7/2012			
Quarter 4 - FY 2011-12					

Scope: Archive

Original archive assumptions:

- Agencies reported 176 TB of archive data in 2009
- \$1.4 million to migrate 186 TB of data to the new archive solution; \$7,500 per additional TB
- \$750,000 in reported current archive costs

Archive reality:

- Initial discovery shows 230 TB of data in current archives
- Current e-mail archives are growing at 1.5-2 TB per month; using this growth rate the archive could be 260 TB by the end of migration
- Additional 78 TB in current e-mail; some will be migrated and remainder will add to historical archive

Historical E-mail Archive Options

- Option 1 – Leave historical archives in the agencies
- Option 2 – Migrate some e-mails (e.g., 1-2 years) and reuse current infrastructure to set up centralized archive at SSRC to consolidate the remaining agency archives.
- Option 3 - Migrate all archive data to the new solution (estimates range from \$330,000 - \$555,000 for archive only)

Challenge: Historical archive cannot be deleted without potentially (inadvertently) deleting a record that has not met its retention requirements. *Public records retention requirements are based on content, not on media.*

Proposed Enterprise E-mail Policy for Records Retention

- New e-mail service provides unlimited storage for e-mail archives
(No restrictions re: the amount of archive available; no additional cost to the state regardless of archive growth).
- However, unrestricted growth of the e-mail archive will result in a very large e-mail store that the state would have to contend with at the end of the contract period, which could be very costly.
- Multi-agency Archive and Public Records Workgroup recommendation is to limit e-mail records retention to 6 years.
- Records with a retention period beyond 6 years should not be retained in the e-mail system.
- Policy would be subject to formal rulemaking process.
- Users training to increase awareness of proposed policy and convey responsibilities for public records retention.

Scope: Hosting Location

- Change in the hosting location from Tallahassee to Tampa
- Tier 3 “lights out” commercial data center facility
- Fiber to backup site in Virginia
- State network (MyFloridaNet) will provide connectivity
- The location does not affect the CJIS security requirements or any performance requirements for the service.
- FDLE personnel who will perform inspections/ audits involving the physical facility must travel to Tampa instead of having the data center in Tallahassee.

Scope: Other CJIS Security Issues

- FDLE will be conducting complete background investigations on all staff that have physical or logical access to the system.
- 11 of 22 priority background investigations are underway; the process can take up to 5 weeks to complete.
- ACS is paying the \$300 cost per investigation.
- FDLE is planning to conduct complete pre- and post-deployment assessments of the e-mail system to ensure the security and integrity of the CJIS data stored in the system.

Cost: Increased Mailbox Count

Total Mailbox Count	Original # of Mailboxes	Revised Mailbox Estimate	Increase/ Decrease	Variance
		109,419	120,117	10,698
Major Agency Increases				
APD	1,718	2,046	328	19%
DCF	12,498	13,070	572	5%
DJJ	3,946	4,559	613	16%
DOC	15,000	20,560	5,560	37%
DOH	20,542	22,809	2,267	11%
GAL	670	1,089	419	63%

Cost: Increase in E-mail Options

Agency	Original Full Client	Agency Requested Full Client	Increase/Decrease	Full Client Variance	Original Migration	Agency Requested Migration	Increase/Decrease	Migration Variance
AEIT	2	2	0	0%	0	0	0	0%
AHCA	178	178	0	0%	455	357	-98	-22%
APD	162	162	0	0%	38	0	-38	-100%
DEO	225	225	0	0%	587	1221	635	108%
Citrus	5	5	0	0%	14	114	100	713%
DOACS	374	374	0	0%	64	776	712	1117%
DBPR	195	195	0	0%	496	0	-496	-100%
DOC	1470	1470	0	0%	128	100	-28	-22%
DCF	1152	1300	148	13%	1184	2614	1430	121%
DEM	34	34	0	0%	43	200	157	361%
DEP	250	250	0	0%	638	1025	388	61%
DFS	292	292	0	0%	765	3664	2899	379%
DJJ	389	389	0	0%	64	200	136	214%
DMS	88	88	0	0%	224	176	-48	-22%
DOAH	30	30	0	0%	38	10	-28	-74%
DOE	281	1570	1289	459%	778	610	-168	-22%
DOEA	117	0	-117	-100%	297	233	-64	-22%
DOH	1014	1014	0	0%	2586	4800	2214	86%
DOL	43	523	480	1116%	134	105	-29	-22%
DOR	527	527	0	0%	0	0	0	0%
DOS	50	50	0	0%	26	20	-6	-22%
FDOT	829	829	0	0%	2113	1657	-456	-22%
FDVA	67	697	630	940%	26	0	-26	-100%
EOG	20	250	230	1150%	23	206	183	798%
FDLE	190	2251	2061	1085%	1544	1615	71	5%
FWC	265	265	0	0%	669	525	-144	-22%
GAL	65	65	0	0%	26	30	5	18%
FLHSMV	2500	2500	0	0%	1014	1015	1	0%
JAC	20	20	0	0%	13	40	27	214%
NSRC	11	11	0	0%	28	22	-6	-22%
PSC	30	377	347	1157%	82	30	-52	-63%
SBA	26	311	285	1096%	66	311	245	369%
SSRC	9	94	85	944%	29	0	-29	-100%
	10,908	16,346	5,438	50%	14,190	21,676	7,486	153%
	10%				13%	18%		

Cost: FY 2011-12 Budget

- E-mail migrations for Dept of Juvenile Justice, Dept of Corrections, and State Board of Administration are scheduled to migrate entirely in FY 2012-13.
- Dept. of Health, Dept. of Environmental Protection, and Dept of Highway Safety & Motor Vehicles are scheduled to start in June 2012 and end in July 2013.
- Start date for migrations moved from Oct to November

Original CBA

Fiscal Year	Cost of Current Systems	Cost of Proposed Statewide E-mail Service	Savings
FY 2011-12	-6,822,650	6,087,227	-735,422
• GR	-1,637,797	1,091,762	-546,035
• State TF	-3,297,002	3,273,487	-23,515
• Federal TF	-1,887,850	1,721,978	-165,872

Revised CBA

FY 2011-12	-4,146,503	4,121,114	-25,389
• GR	-1,414,454	710,139	-704,315
• State TF	-1,787,169	2,020,422	233,253
• Federal TF	-945,657	1,390,553	444,896

Cost: FY 2012-13 Budget

- Completion of e-mail migrations for Dept. of Health, Dept. of Environmental Protection, and Dept of Highway Safety & Motor Vehicles, Dept of Juvenile Justice, Dept of Corrections, and State Board of Administration.
- \$1.4 million archive migration costs distributed based on number of users

Original CBA

Fiscal Year	Cost of Current Systems	Cost of Proposed Statewide E-mail Service	Savings
FY 2012-13	-11,698,057	11,480,224	-217,833
· GR	-2,808,153	3,158,777	350,624
· State TF	-5,653,012	4,998,856	-654,155
· Federal TF	-3,236,892	3,322,590	85,698

Revised CBA

FY 2012-13	-11,273,235	10,778,873	-494,362
· GR	-3,156,081	3,111,545	-44,536
· State TF	-5,201,913	4,490,254	-711,660
· Federal TF	-2,915,239	3,177,074	261,834

Risks and Issues

- Historical archive (potential schedule and cost impact)
- Public folders exceed the estimated size (potential scope and cost impact)
- Additional requested options (potential scope and cost impact)
- Agency readiness (potential schedule and cost impact)

Questions?

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